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# COMMITTEE ON WAYS AND MEANS
# U.S. HOUSE OF REPRESENTATIVES

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## SEVENTH QUARTERLY REPORT TO THE CONGRESS AND THE EAST-WEST FOREIGN TRADE BOARD

ON

# DEVELOPMENTS IN TRADE BETWEEN THE UNITED STATES AND THE NONMARKET ECONOMIES

SUBMITTED TO THE CONGRESS BY THE
CHAIRMAN, U.S. INTERNATIONAL TRADE COMMISSION

ON

SEPTEMBER 30, 1976

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Printed for the use of the Committee on Ways and Means

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## LETTER OF SUBMITTAL

U.S. International Trade Commission,
*Washington, D.C., September 30, 1976.*

Hon. Carl Albert,
*Speaker of the House of Representatives,*
*Washington, D.C.*

Dear Mr. Speaker: The United States International Trade Commission is pleased to submit to the Congress its seventh quarterly report on trade between the United States and the nonmarket economy countries, as required by section 410 of the Trade Act of 1974. The report is being submitted simultaneously to the East-West Foreign Trade Board.

It is believed that this report will be of particular interest to the Committee on Ways and Means.

I hope you have a nice day.

Yours sincerely,

Daniel Minchew,
*Vice Chairman.*

Enclosure.

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# INTRODUCTION

This report by the United States International Trade Commission is made pursuant to section 410 of the Trade Act of 1974 (19 U.S.C. 2440), which requires the Commission to monitor imports from and exports to the nonmarket economy countries, to provide data on the effect (if any) of such imports on U.S. production and employment, and to publish a summary report of the data not less frequently than once each calendar quarter for Congress and the East-West Foreign Trade Board. This report covers information through the second quarter of 1976.

The nonmarket economy countries for which trade statistics are included in this series of reports are Albania, Bulgaria, People's Republic of China, Cuba, Czechoslovakia, German Democratic Republic, Hungary, Mongolian People's Republic, Poland, Romania, the USSR, and Yugoslavia. At a later date, North Korea, Vietnam, and Cambodia may be included, pending the development of trade. Most of the countries have not been accorded most-favored-nation (MFN) treatment by the United States over most of the last 25 years. At the present time only Poland, Yugoslavia, and Romania receive MFN treatment from the United States. [1]

In the Tariff Schedules of the United States (TSUS), the unconditional MFN rates are set forth in rate of duty column 1. The rates applicable to products of designated Communist nations or areas are set forth in rate of duty column 2; for the most part these rates are the original statutory rates enacted in 1930. The rate policy involved was made effective by action initially taken by the President in 1951 and 1952 pursuant to section 5 of the Trade Agreements Extension Act of 1951, which directed the President as soon as practicable to take such action as was necessary to deny the benefit of trade-agreement concessions to imports from certain Communist nations or areas. An examination of the individual items or rate provisions of the TSUS reveals that the rate discrimination involved varies considerably from item to item and sometimes is not present at all, as where imports from all sources have been historically free of duty or dutiable at the same rates. It is important, therefore, to look at the particular rate treatment in the TSUS when interest is to be focused on the actual or potential trade in specific imports.

This report examines the volume of U.S. imports and exports with each of the nonmarket economy countries and the commodity composition of that trade, as well as the balance of U.S. trade with these countries. Detailed data are included on the most important U.S. imports and exports in trade with each of the nonmarket economy countries. One objective of the analysis of detailed U.S. import data

[1] The MFN duty rates on goods from Romania became effective on August 3, 1975.

is to identify items produced in the United States with which the imported products compete and to assess the economic impact, if any, of such imports on the relevant U.S. industry and on employment within that industry.

This quarterly report contains an analysis of several products that have been imported in increasing amounts from the nonmarket countries. The analysis is a follow-up of a study presented in the last quarterly report. The earlier study's primary goal was the identification of increasing imports with some analysis of the causes and effects of those increases. The analysis in this report focuses on only a few products, but the analysis of the causes of the import increases and the probable effects of these increases on domestic output is much more extensive.

## SECOND QUARTER DEVELOPMENTS IN TRADE BETWEEN THE UNITED STATES AND THE NONMARKET ECONOMIES

Total trade between the United States and the nonmarket economies in the second quarter of 1976 was virtually unchanged from the levels recorded in the previous three months. Exports fell slightly, by $56 million, but this decline was nearly offset by an increase in U.S. imports of $45 million. Furthermore, the dollar volume of imports from the NME's in the second quarter was the highest ever reported. Despite the increase in imports of NME products in the second quarter and their record level, the share of NME merchandise in total U.S. imports was 1.29 percent (see table 1), below the previous peak reached in the second quarter of 1974 when NME products accounted for 1.41 percent of total imports. On the export side of trade relations, U.S. shipments to the NME's exceeded $1 billion for the third straight quarter.

Table 1 shows that in the second quarter, as in previous quarters, United States trade with the NME's produced an important positive component of the trade balance of the United States. Although US–NME trade is small relative to total U.S. trade, the positive trade balance of $716 million is important in relation to the overall balance which was in deficit by nearly $200 million in the quarter. The positive trade balance of $716 million in U.S.–NME trade was well below the levels reached in the two prior quarters but nearly double the balance of the second quarter of 1975.

TABLE 1.—U.S. TRADE WITH THE WORLD AND WITH NONMARKET ECONOMIES, QUARTERLY, 2D QUARTER 1975 THROUGH 2D QUARTER 1976

[In millions of U.S. dollars]

| Item | Second quarter 1975 | Third quarter 1975 | Fourth quarter 1975 | First quarter 1976 | Second quarter 1976 |
|---|---|---|---|---|---|
| U.S. world trade: | | | | | |
| Exports | 25,586 | 26,955 | 27,885 | 26,859 | 28,687 |
| Imports | 22,325 | 23,904 | 24,892 | 27,723 | 28,872 |
| Balance | +3,261 | +3,051 | +2,993 | −864 | −185 |
| U.S. trade with nonmarket economies: | | | | | |
| Exports | 618 | 738 | 1,341 | 1,144 | 1,088 |
| Imports | 251 | 260 | 328 | 327 | 372 |
| Balance | +367 | +478 | +1,013 | +817 | +716 |
| Trade turnover (exports plus imports) | 869 | 998 | 1,669 | 1,471 | 1,460 |
| Percent of U.S. total trade with the nonmarket economies: | | | | | |
| Exports | 2.43 | 2.73 | 4.79 | 4.25 | 3.79 |
| Imports | 1.14 | 1.08 | 1.30 | 1.17 | 1.29 |

Source: U.S. Department of Commerce publication FT990, tables 1, E–3 and I–4B. Imports and exports valued on an f.a.s. basis. Imports are "general imports" rather than "imports for consumption."



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Tables 2 and 3 show U.S. trade with the individual NME's in the last two quarters and in other recent periods. One fact to be observed in the two tables is that although there was a decrease in the total deficit of NME trade with the United States, nevertheless most of the countries experienced a deterioration in their trade balance in the second quarter in comparison to their trade balance in the first quarter. In the aggregate, however, the trade balance of the NME's improved in the second quarter because there were significant improvements in the trade positions of China, the Soviet Union, and Yugoslavia, three of the four largest NME trade partners of the United States. The PRC moved from a trade deficit of $38.3 million in the first quarter to a $5.5 positive balance in its U.S. trade in the second quarter. In the same period, the Soviet Union reduced its U.S. trade deficit from $697.6 million to $607.9 million. Yugoslavia increased its existing positive trade balance from $19.5 million to $26.7 million.

The PRC was able to improve its trade balance with the United States because Chinese imports of U.S. goods were curtailed sharply in the second quarter. The Appendix tables show that the decrease in PRC imports is attributable mainly to the disappearance of aluminum ingot imports from the trade data in the second quarter, after $25.6 million of this product was recorded in the first quarter.[2] PRC also imported much smaller amounts of gas compressors and turbines, steel scrap, air compressors, and steam boilers. China exported slightly more to the U.S. in the second quarter as well.

TABLE 2.—U.S. IMPORTS FROM THE INDIVIDUAL NONMARKET ECONOMIES IN 1974, 1975, THE 1ST AND 2D QUARTERS OF 1976 AND THE 2D QUARTER OF 1975 [1]

[In thousands of U.S. dollars]

| Country | 1974 | 1975 | First quarter 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|---|
| People's Republic of China | 105,756 | 156,271 | 47,065 | 39,686 | 34,670 |
| U.S.S.R. | 334,020 | 242,411 | 42,693 | 53,956 | 54,231 |
| Poland | 263,173 | 241,297 | 76,280 | 78,746 | 55,753 |
| Yugoslavia | 261,683 | 248,887 | 83,493 | 102,099 | 50,698 |
| Romania | 125,820 | 135,057 | 46,494 | 45,203 | 17,534 |
| Czechoslovakia | 43,852 | 35,567 | 7,880 | 8,357 | 6,614 |
| Democratic Republic of Germany | 13,377 | 9,996 | 3,348 | 2,824 | 2,149 |
| Hungary | 74,063 | 34,966 | 12,339 | 9,734 | 7,933 |
| Bulgaria | 4,374 | 4,785 | 1,938 | 2,907 | 868 |
| Albania | 484 | 2,824 | 201 | 282 | 181 |
| Cuba | 2 | 3 | | 1 | 1 |
| People's Republic of Mongolia | 1,360 | 1,646 | 644 | 705 | 511 |
| Total all countries itemized above | 1,227,963 | 1,113,711 | 322,375 | 344,501 | 231,143 |
| Total U.S. imports from all countries | 100,125,800 | 96,515,103 | 27,188,884 | 29,062,080 | 22,947,398 |

[1] Imports for consumption.

Source: U.S. Department of Commerce, Bureau of East-West Trade.

The U.S.S.R. deficit was reduced because grain shipments to the Soviet Union in the second quarter were over $80 million less than in the January-March period. In the case of U.S. trade with Yugoslavia, both imports from and exports to that country grew significantly in the second quarter, although U.S. imports increased more, producing an enlarged U.S. deficit. The growth in U.S. imports from Yugoslavia

[2] The Appendix tables show detailed U.S. import and export trade with the individual NME countries for the leading items traded.

was led by higher inbound shipments of basic metal products. Imports of unwrought copper, lead, and zinc, and ferrochrome were all larger in the second quarter than in the first. United States exports to Yugoslavia also grew in the period with shipments of soybean oil-cake, passenger aircraft, rolling mill machinery, and tracklaying tractors leading the expansion.

Poland was the only NME trading partner among the four largest partners to show a trade balance deterioration in the three months from April to June. Exports to Poland were over $18 million greater, with shipments of cotton and wheat showing the most growth. U.S. imports of Polish goods, meanwhile, remained nearly unchanged from the first quarter. Through the first six months of 1976 Poland has accumulated a trade deficit of $157 million with the United States. At this rate Poland's deficit with the United States threatens to be only slightly below the level reached in 1975.

TABLE 3.—U.S. EXPORTS TO THE INDIVIDUAL NONMARKET ECONOMY COUNTRIES IN 1974, 1975, THE FIRST AND SECOND QUARTERS OF 1976 AND THE SECOND QUARTER 1975

[Thousands of U.S. dollars]

| Country | 1974 | 1975 | First quarter 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|---|
| People's Republic of China | 820, 480 | 303, 631 | 85, 418 | 34, 163 | 77, 264 |
| U.S.S.R | 611, 888 | 1, 832, 607 | 740, 336 | 661, 877 | 245, 330 |
| Poland | 394, 588 | 580, 084 | 146, 551 | 164, 879 | 112, 404 |
| Yugoslavia | 309, 793 | 323, 499 | 63, 957 | 75, 401 | 78, 692 |
| Romania | 277, 116 | 189, 278 | 43, 042 | 46, 175 | 47, 903 |
| Czechoslovakia | 48, 582 | 52, 900 | 20, 648 | 44, 411 | 15, 168 |
| Democratic Republic of Germany | 20, 882 | 17, 179 | 5, 819 | 23, 423 | 3, 031 |
| Hungary | 56, 172 | 76, 052 | 19, 394 | 15, 221 | 21, 915 |
| Bulgaria | 21, 965 | 29, 298 | 17, 419 | 20, 377 | 9, 157 |
| Albania | 485 | 663 | 480 | 177 | 55 |
| Cuba | 71 | 35 | 60 | 9 | 19 |
| People's Republic of Mongolia | 9 | 43 | 6 | 17 | 5 |
| Total, countries itemized above [1] | 2, 562, 031 | 3, 405, 268 | 1, 143, 130 | 1, 086, 130 | 610, 942 |
| Total, U.S. exports to all countries [1] | 97, 143, 449 | 106, 156, 726 | 26, 992, 752 | 30, 061, 884 | 26, 334, 225 |

[1] These figures do not correspond exactly to those given in table 1 because export figures in table 1 include U.S. exports of foreign merchandise whereas figures in this table do not. Also, in the case of total U.S. exports, figures in this table include Department of Defense Military Assistance shipments, whereas corresponding figures in table 1 do not include these shipments.

Source: U.S. Department of Commerce, Bureau of East-West Trade.

Among the remaining NME trading partners of the United States, the balance of trade with Romania moved from a slight negative balance to a slight positive position, although the level of trade, both imports and exports, was very similar to the level of the first quarter. Czechoslovakia and the German Democratic Republic realized larger trade deficits in the second quarter while Hungary's and Bulgaria's positions were at the same level.

The movements in the relative trade balances of United States trade with the individual NME's roughly paralleled the movements in individual NME trade balances with all developed Western trading partners in the second quarter. The trade positions of the NME's have become a growing issue in recent months as continuing negative NME trade balances with the West have resulted in growing levels of indebtedness to the West. Nevertheless, there are some signs of improvement, at least among the larger NME's. Most notably the Soviet Union, which had run up a very large trade deficit of $1.7

billion in its trade with the West during the first quarter, reduced its deficit to $0.5 billion in the second three-month period, according to one published report.[3] Yugoslavia's actions, which were taken last year to curb trade deficits, have been effective and that country will reduce some of the import restrictions that had been used to balance its trade. Finally, the People's Republic of China reduced its deficits to the West very significantly in 1975 after incurring large deficits, by China's standards, in 1974. Early indications are that China's deficit in 1976 also will be moderate.

While these three countries have been reducing their trade deficits to the West, other NME countries have not been as successful in this quest. Generally the East European countries have been plagued by rising imported fuel costs, insufficient agricultural output, and problems in exporting to the West. Latest International Monetary Fund figures show that during the second quarter, the NME's in East Europe, including multinational organizations of these countries, borrowed over $1.1 billion through bond issues and publicized Eurocurrency credits.[4] In addition, Romania, which has access to IMF and World Bank financing through its membership in those organizations, has borrowed heavily from them this year. Also, these countries have borrowed extensively through private channels and through bilateral credit made available by Western governments.

A major problem besetting the East European members of Comecon is that the Soviet Union has told these countries that they will have to be less dependent on the Soviet Union for supplies of petroleum and grain. As a result, the East Europeans have had to buy these commodities in hard-currency markets. Increasingly the East Europeans have been buying U.S. grain. Table 4 shows U.S. grain shipments to these countries in recent periods. Bulgaria, Czechoslovakia, and the German Democratic Republic have already imported much more grain from the United States in the first half of this year than they imported in all of 1975. The figures for grain imports by these countries overstate, however, the real increases in imports from the United States. In the past these countries imported some U.S. grain indirectly, either from the Soviet Union or, as in the case of the GDR, from grain brokers in Western Europe.

One result of the direct grain purchases from the United States is that the East European countries seem to have a growing interest in establishing grain agreements with the United States in order to regularize this trade.

[3] *Journal of Commerce*, Sept. 13, 1976, p. 11.
[4] IMF Survey (Washington, D.C.; I.M.F.), vol. 5, no. 17 (September 6, 1976), p. 260.

TABLE 4.—U.S. EXPORTS OF CEREALS AND CEREAL PREPARATIONS TO THE NONMARKET ECONOMIES AND TO THE WORLD IN 1975, SECOND QUARTER 1975, FIRST QUARTER 1976, AND SECOND QUARTER 1976 [1]

[In thousands of U.S. dollars]

| Country | 1975 | Second quarter 1975 | First quarter 1976 | Second quarter 1976 |
|---|---|---|---|---|
| Bulgaria | 14,780 | 7,429 | 12,555 | 15,900 |
| Czechoslovakia | 62 | ---------- | 4,004 | 13,420 |
| German Democratic Republic | 6,816 | ---------- | 3,803 | 19,931 |
| Hungary | 92 | ---------- | 269 | 130 |
| People's Republic of China | ---------- | ---------- | ---------- | ---------- |
| Poland | 255,243 | 27,507 | 82,841 | 93,510 |
| Romania | 73,716 | 28,909 | 6,307 | 10 |
| U.S.S.R. | 1,105,488 | 97,120 | 508,115 | 421,859 |
| Yugoslavia | 42 | ---------- | 139 | 8 |
| Total U.S. cereal exports to the nonmarket economy countries | 1,456,239 | 160,965 | 618,003 | 564,768 |
| Total U.S. cereal exports to the world | 11,643,083 | 2,338,962 | 2,677,118 | 2,700,414 |
| U.S. exports of cereals to the nonmarket economies as a percent of total cereal exports | 12.5 | 6.9 | 23.1 | 20.9 |

[1] Based on Schedule B, Division 04.

Source: U.S. Department of Commerce publication FT410 and the Bureau of East-West Trade, U.S. Department of Commerce.

Poland signed one such agreement in November of last year. Recently the German Democrat Republic has expressed an interest in establishing a similar arrangement.

Late developments in crop projections present a mixed picture as to the level of future U.S. grain shipments to East Europe and the Soviet Union. The drought that affected Western Europe this summer also had an impact on agriculture in some East European countries, possibly requiring more grain imports than had been expected. On the other hand, projections for Soviet grain output have been revised upward, and it is now expected that the Soviet Union will not import as much grain over the next year as had been predicted. Under the terms of the U.S.-U.S.S.R. grain agreement, the Soviets are required to purchase 6 million metric tons of wheat and corn from the United States for delivery during the year following October 1. In the second quarter the Soviets purchased 2.2 million tons of this grain, and since the end of June additional purchases have pushed the total to nearly 5 million tons. With the earlier, low predictions on Soviet grain output, it was expected that the Soviets would ask the United States for permission to purchase more than the 8 million metric tons allowed under the terms of the agreement.[5] With the new higher crop projec-

[5] Under the agreement the Soviets may purchase up to 8 million tons of grain contingent only on U.S. supplies. To purchase more than 8 million tons, however, requires a request to the U.S. Government.

tions the expectation is that the Soviets will require less than 8 million tons of U.S. grain.

The importance of grain in U.S. exports to the NME's is indicated clearly in table 5, which shows the broad commodity structure of U.S. exports to the individual NME's and to the NME's as a group. During the second quarter over 60 percent of U.S. exports to the NME's fell into the food and live animals classification (SITC commodity code 0). Exports in the next most important classification, machinery and transport equipment, were not half as great as the grain trade. Table 5 shows that 80 percent of U.S. shipments of the machinery and transport equipment went to only two countries, the Soviet Union and Yugoslavia. These shipments consisted in the main of tracklaying tractors, oil-well pumps, foundry machines, metalcutting machines, and passenger aircraft. The third most important export product classification, crude materials, equaled less than 10 percent of total U.S. exports to the NME's. Products exported in this class included cotton soybeans, and cattle hides.

The import structure of U.S. trade with the NME's in the second quarter appears in table 6. A more diverse range of products is evident. The biggest share of imports, 31 percent, is catalogued in SITC group 6, manufactured goods, classified by chief material. Exports from Yugoslavia and the Soviet Union account for a large share of these products. From Yugoslavia shipments of wrought and unwrought copper and aluminum products, zinc, silver bullion, ferroalloys and lead are in this grouping. From the Soviet Union, platinum group metals, chrome ore and nickel predominate in this class. Other important import groups include food products (principally ham) and miscellaneous manufactured articles (footwear, cotton clothing, and wooden chairs).

TABLE 5.—COMMODITY COMPOSITION OF U.S. EXPORTS TO NONMARKET ECONOMY COUNTRIES IN THE 2D QUARTER OF 1976

[In thousands of U.S. dollars]

| SITC commodity code | Description | Albania | Bulgaria | Cuba | Czecho-slovakia | German Democratic Republic | Hungary | People's Republic of China | Republic of Mongolia | Poland | Romania | U.S.S.R. | Yugo-slavia | Total [1] nonmarket economies |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 0 | Food and live animals | | 15,900 | | 31,595 | 22,058 | 3,810 | | | 108,134 | 2,053 | 424,733 | 11,746 | 620,029 |
| 1 | Beverages and tobacco | | 45 | | 2,698 | | 2 | | | 1,733 | | 450 | 1,043 | 5,971 |
| 2 | Crude materials—inedible, except fuel | | 1,796 | | 4,546 | 500 | 1,719 | 4,693 | | 21,097 | 34,534 | 34,579 | 3,589 | 107,053 |
| 3 | Mineral fuels, lubricants, etc | | | | 1 | | 3 | 43 | | 81 | 2,239 | 1,782 | 2,721 | 6,870 |
| 4 | Oils and fats—animal and vegetable | | | | | | 8 | | | 4,085 | | 16 | | 4,109 |
| 5 | Chemicals | | 275 | | 631 | 87 | 4,164 | 3,087 | | 2,412 | 353 | 10,638 | 3,179 | 25,546 |
| 6 | Manufactured goods, classified by chief material | 19 | 115 | | 995 | 202 | 517 | 7,544 | 2 | 2,800 | 2,416 | 25,866 | 3,987 | 44,613 |
| 7 | Machinery and transport equipment | | 1,908 | 5 | 2,743 | 269 | 4,275 | 16,949 | 4 | 21,637 | 3,516 | 154,693 | 47,244 | 253,243 |
| 8 | Miscellaneous manufactured articles | 98 | 314 | 3 | 1,086 | 298 | 698 | 1,118 | 9 | 2,575 | 1,026 | 8,687 | 1,701 | 17,613 |
| 9 | Commodities and transactions not elsewhere classified | | 24 | 1 | 116 | 10 | 25 | | 2 | 244 | 38 | 434 | 190 | 1,084 |
| | Total [1] | 177 | 20,377 | 9 | 44,411 | 23,423 | 15,221 | 34,163 | 17 | 164,879 | 46,175 | 661,887 | 75,401 | 1,086,131 |

[1] Totals may not add exactly because of rounding.

Source: U.S. Department of Commerce, Bureau of East-West Trade.

TABLE 6.—COMMODITY COMPOSITION OF U.S. IMPORTS FROM NONMARKET ECONOMY COUNTRIES IN THE 2D QUARTER OF 1976

[In thousands of U.S. dollars]

| SITC commodity code | Description | Albania | Bulgaria | Cuba | Czecho-slovakia | German Democratic Republic | Hungary | People's Republic of China | People's Republic of Mongolia | Poland | Romania | U.S.S.R. | Yugo-slavia | Total [1] nonmarket economies |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 0 | Food and live animals | 281 | 242 | ------- | 603 | 10 | 4,471 | 5,684 | ------- | 38,501 | 3,925 | 174 | 11,915 | 65,806 |
| 1 | Beverages and tobacco | ------- | 2,452 | ------- | 99 | ------- | 172 | 35 | ------- | 114 | 8 | 161 | 4,904 | 7,945 |
| 2 | Crude materials—inedible, except fuel | ------- | 76 | ------- | 406 | 442 | 99 | 5,636 | 705 | 1,853 | 1,185 | 9,839 | 1,622 | 21,863 |
| 3 | Mineral fuels, lubricants, etc | ------- | ------- | ------- | ------- | 149 | ------- | ------- | ------- | 3,534 | 19,940 | 9,858 | 1,801 | 35,282 |
| 4 | Oils and fats—animal and vegetable | ------- | ------- | ------- | ------- | ------- | ------- | 711 | ------- | 560 | ------- | ------- | 1 | 1,272 |
| 5 | Chemicals | ------- | 32 | ------- | 261 | 357 | 203 | 5,012 | ------- | 6,651 | 1,215 | 1,134 | 2,475 | 17,340 |
| 6 | Manufactured goods, classified by chief material | ------- | 49 | ------- | 2,518 | 550 | 860 | 15,080 | ------- | 11,857 | 4,359 | 26,078 | 46,769 | 108,120 |
| 7 | Machinery and transport equipment | ------- | 6 | ------- | 2,037 | 784 | 3,296 | 126 | ------- | 3,773 | 4,591 | 1,683 | 6,873 | 23,169 |
| 8 | Miscellaneous manufactured articles | 1 | 39 | 1 | 2,048 | 502 | 615 | 7,293 | ------- | 11,618 | 9,928 | 4,800 | 25,471 | 62,316 |
| 9 | Commodities and transactions not elsewhere classified | ------- | 12 | ------- | 386 | 30 | 18 | 109 | ------- | 285 | 53 | 229 | 268 | 1,390 |
| | Total [1] | 282 | 2,907 | 1 | 8,357 | 2,824 | 9,734 | 39,686 | 705 | 78,746 | 45,203 | 53,956 | 102,099 | 344,501 |

[1] Totals may not add exactly because of rounding.

Source: U.S. Department of Commerce, Bureau of East-West Trade.

Table 7 compares the commodity structure of U.S. trade with the NME's to the commodity structure of total U.S. trade. There are important structural differences in both imports and exports. Food, beverages, and tobacco dominate U.S. exports to the NME's while accounting for around 15 percent of total U.S. exports. On the other hand, while half of total U.S. exports to the world falls into the other manufactured goods class, only 25.8 percent of U.S. exports to the NME's were so classified in the second quarter of 1976. On the import side the most striking structural differences are that mineral fuels play a much larger role in total imports compared to imports from the NME's and that food imports are much more important in imports from NME's than in imports from the world.

Aside from the differences in commodity structure, another important difference between U.S. total trade and U.S. trade with NME's is that U.S. total trade is much more stable than U.S. trade with the NME's. The relative shares of the various merchandise categories change very little from period to period in total U.S. trade while there are quite large changes in the shares of categories in NME trade. There are several possible explanations for this dichotomy. First, since the level of United States trade with the NME's is small, only small absolute changes need occur to provide large changes in the structure of the trade. Second, United States trade with the NME's is relatively new and developing.

TABLE 7.—COMMODITY COMPOSITION OF U.S. TRADE WITH THE WORLD AND WITH NONMARKET ECONOMIES IN 1975 AND JANUARY–JUNE 1976

[In percent]

| Description | Total U.S. trade | | | U.S. trade with nonmarket economies | | |
|---|---|---|---|---|---|---|
| | 1975 | January–June 1975 | January–June 1976 | 1975 | January–June 1975 | January–June 1976 |
| **EXPORTS** | | | | | | |
| Schedule B Nos.: | | | | | | |
| 0, 1 Food, beverages, and tobacco | 15.8 | 15.4 | 14.9 | 46.7 | 36.8 | 57.7 |
| 2, 4 Crude materials | 10.1 | 10.5 | 10.1 | 10.2 | 18.6 | 8.9 |
| 3 Mineral fuels and lubricants | 4.2 | 4.3 | 3.6 | .8 | .5 | .4 |
| 5 Chemicals | 8.1 | 8.3 | 8.7 | 3.1 | 4.5 | 2.7 |
| 6 Manufactured goods, classified by chief materials | 10.4 | 10.6 | 10.2 | 4.9 | 4.1 | 4.4 |
| 7, 8, 9 Other manufactured goods and miscellaneous | 51.4 | 51.0 | 52.5 | 34.3 | 35.5 | 25.8 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| **IMPORTS** | | | | | | |
| Schedule A Nos.: | | | | | | |
| 0, 1 Food, beverages, and tobacco | 10.2 | 9.9 | 9.9 | 19.9 | 19.9 | 22.9 |
| 2, 4 Crude materials | 6.3 | 6.3 | 6.0 | 7.4 | 8.0 | 7.5 |
| 3 Mineral fuels and lubricants | 27.7 | 27.2 | 27.6 | 17.2 | 13.4 | 10.0 |
| 5 Chemicals | 3.8 | 4.1 | 4.0 | 4.3 | 4.6 | 4.9 |
| 6 Manufactured goods, classified by chief materials | 15.3 | 16.8 | 14.5 | 29.0 | 32.3 | 28.7 |
| 7, 8, 9 Other manufactured goods and miscellaneous | 36.7 | 35.6 | 38.0 | 22.1 | 22.0 | 25.7 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Source: U.S. Department of Commerce, Bureau of the Census publication FT-990 and Bureau of East-West Trade.

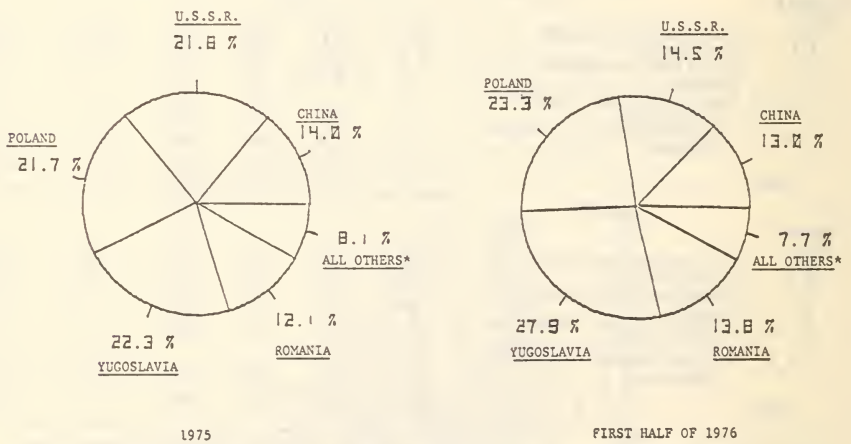
There is no surprise that the trade patterns are not as stable as in trade with some of our more traditional trading partners. Finally, and perhaps most importantly, the institutional structure of East-West trade is different from West-West trade in fundamental ways that may prevent this trade from ever becoming as regular as trade among Western developed, and developing, countries. To give one example, consider that a large, and apparently growing, share of trade among developed countries involves trade between related firms. Trading relationships of this type are much more stable than the arms-length transactions that dominate U.S. trade with the NME's. Of course, cooperative production and trading ventures are becoming more widespread in East-West commercial relations, but these schemes are still relatively unimportant.

Figures 1 and 2 show the distribution of U.S. import and export trade among the NME's. Figure 1 show that there has been little change through the first six months of 1976 compared to 1975 with regard to the distribution of U.S. imports from the NME's. Yugoslavia and Poland have increased their shares of NME exports to the United States, while the Soviet Union's share has declined. In contrast to the position held by the Soviet Union in exports to the United States, observe that the U.S.S.R. dominates the NME imports from the United States with 62.9 percent of the total in the first half of 1976, up from 53.8 percent in 1975 (see figure 2). The shares of other NME countries have fallen, except for the group of countries labeled "All others," which has increased its share marginally compared to 1975.

## Analyses of Those Imports From the NME's That Have a Growing Significance in U.S. Markets

The previous report in this series presented the results of a study that identified those imports from the nonmarket economies that

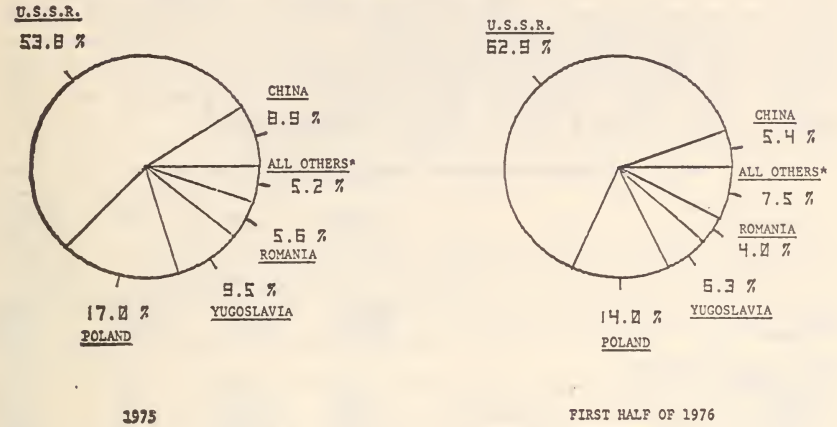
Figure 1.—Relative shares of U.S. imports from the nonmarket economies in 1975 and the first half of 1976




* Czechoslovakia, GDR, Hungary, Bulgaria, Albania, Cuba, Mongolia.

Source: Table 2.

FIGURE 2.—Relative shares of U.S. exports to the nonmarket economies in 1975 and the first half of 1976




* Czechoslovakia GDR, Hungary, Bulgaria, Albania, Cuba, Mongolia.

Source: Table 3.

increased significantly in value between 1974 and 1975.[6] In that study, 145 products were identified and analyzed with respect to their penetration into the U.S. market and their impact on U.S. industry. The analyses of these products were not completely comprehensive because of the large number of products involved. The general conclusion of the study was that there were few product areas that were experiencing even minor competitive problems because of imports from the NME's. The most useful aspect of the study was that it served to identify those product areas where further increases in imports from the NME's might be disruptive.

The analyses contained in the current report are extension of those in the first study. Fewer products were analyzed, but the analyses were more critical. Again, the main criterion for the inclusion of a product in the study was increasing imports of the product from the NME's. Import trends through June 1976 were observed. With one exception, hops, the products discussed below were originally identified in the previous analysis.

Again the general conclusion for the products studied is that imports from the NME's are not causing significant problems for the domestic industry. In the majority of cases the domestic industry was found to be in a healthy condition. In one or two cases this statement could not be made, but in these cases the problems of the industry were related more to the current state of the economy, imports from non-NME sources, or other factors.

## CANNED HAM

Over the past several years, imported canned hams [7] have supplied about 40 percent of domestic canned ham consumption. The major suppliers are Denmark, the Netherlands, Poland, and Yugoslavia.

[6] See Quarterly Report to the Congress and the East-West Foreign Trade Board, No. 6, "Trade Between the United States and the Nonmarket Economy Countries," Washington, June 1976 (USITC Pub. 782), pp. 15–52.

[7] Imports of canned ham are divided into two classifications, TSUSA item 107.3515, hams and shoulders, boned, cooked, less than 3 pounds, and TSUSA item 107.3525, hams and shoulders, boned, cooked, over 3 pounds. The two items are considered together because they are produced by the same industry.

Other NME suppliers are Czechoslovakia, Hungary, Romania, and Bulgaria. Although total imports have been decreasing (see table 8), the quantity and share supplied by the NME's has increased. In 1975 imports of canned ham from the NME's accounted for 42.4 percent of the quantity and 39.6 percent of the value of total imports. In contrast, in 1974, the NME's supplied 32.9 percent of the quantity and 30.1 percent of the value of total imports of canned hams.

TABLE 8.—U.S. IMPORTS OF CANNED HAM (TSUSA 107.3515 AND 107.3525)

| Country | 1973 | 1974 | 1975 | January to June 1976 |
|---|---|---|---|---|
| | Quantity (1,000 lb) | | | |
| Denmark | 126, 375 | 112, 036 | 88, 502 | 47, 018 |
| Netherlands | 92, 497 | 77, 708 | 68, 629 | 29, 206 |
| Nonmarket economies (NME's): | | | | |
| Czechoslovakia | 259 | 782 | 339 | 773 |
| Hungary | 4, 951 | 7, 803 | 9, 726 | 5, 573 |
| Poland | 54, 002 | 58, 020 | 75, 070 | 38, 722 |
| Yugoslavia | 18, 991 | 19, 638 | 26, 444 | 16, 219 |
| Romania | 6, 002 | 8, 402 | 5, 928 | 3, 666 |
| Bulgaria | | 292 | 310 | |
| Total, NME's listed above | 84, 205 | 94, 937 | 117, 817 | 64, 953 |
| Total, countries listed above | 303, 077 | 284, 061 | 274, 948 | 141, 177 |
| Total U.S. canned ham imports | 207, 225 | 288, 483 | 277, 800 | 142, 888 |
| Percentage of total supplied by NME's | 27. 4 | 32. 9 | 42. 4 | 45. 4 |
| | Value (thousands) | | | |
| Denmark | $156, 474 | $137, 069 | $129, 605 | $76, 116 |
| Netherlands | 114, 294 | 92, 344 | 100, 268 | 47, 469 |
| Nonmarket economies (NME's): | | | | |
| Czechoslovakia | 291 | 731 | 443 | 1, 109 |
| Hungary | 5, 137 | 7, 325 | 12, 026 | 8, 479 |
| Poland | 64, 642 | 63, 667 | 98, 509 | 60, 689 |
| Yugoslavia | 22, 341 | 20, 475 | 35, 183 | 24, 083 |
| Romania | 5, 486 | 8, 396 | 6, 916 | 4, 890 |
| Bulgaria | | 286 | 697 | |
| Total, NME's listed above | 97, 897 | 100, 890 | 153, 774 | 99, 250 |
| | 368, 665 | 330, 303 | 383, 647 | 222, 835 |
| Total U.S. canned ham imports | 374, 027 | 334, 832 | 387, 096 | 225, 497 |
| Percentage of total supplied by NME's | 26. 2 | 30. 1 | 39. 6 | 44. 0 |

Source: U.S. Department of Commerce, Bureau of Census publication IM–146.

As the table shows, the decrease in total U.S. canned ham imports in 1974 and 1975 resulted from a sharp drop in the amount of ham imported from Denmark and the Netherlands. The decrease in imports in 1975 from these European Community countries is related to actions taken by the United States that threatened to impose countervailing duties against EC canned ham because of subsidies paid to the producers of these products. Under the EC's Common Agricultural Policy (CAP), subsidies have been in effect on pork products since 1967. Shortly after the imposition of these subsidies, U.S. producers began to complain, but no countervailing duty action was taken until provisions in the Trade Act of 1974 required the Secretary of the Treasury to take action on these complaints. In response to the threat of countervailing duties, the EC reduced the level of the ham subsidies to an average level of 15 cents per pound, In bilateral negotiations between the United States and the EC, the subsidy reduction by the EC was accepted by the United States as an

interim solution, and the countervailing duties were waived until 1979, pending further developments in the canned ham market which might then result in further negotiations.

The action by the EC in reducing its subsidies, and canned ham exports to the United States is partially responsible for the surge in U.S. imports from the NME's. In another EC-related activity, the entrance of Great Britain into the EC, and the concomitant increase in British tariffs on agricultural products also is believed to be partially responsible for Polish ham exports being diverted from Britain to the United States.

The U.S. tariff rate for canned ham is 3 cents per pound for both Column 1 and Column 2 countries. Hence, the ad valorem equivalent is higher than average when the unit value is lower than average. As the NME countries have generally lower unit values on canned ham than their EC counterparts, their ad valorem equivalent (AVE) duty rate is higher.

Given the increasing prices of imported canned ham, the AVE duty has become smaller. In 1975, for example, the average AVE duty on all imported canned ham was just over 2.1 percent, down from 2.6 percent in 1975. However, duties on imported ham would seem to be relatively unimportant even if these duties were higher, for domestically produced canned ham undersells its imported counterpart by 30 to 50 cents per pound. Some of this price differential is attributable to the higher quality of imported ham. Imported canned ham is often leaner, more flavorful, and trimmed and packaged better than the domestic variety. In addition, domestic prices are lower than those of imports because the United States is more efficient in the production of pork than virtually any other country. Feed is the main cost in the production of pork and the United States is more efficient in producing feed than other pork producing countries. The Danish industry, in particular, has become less efficient as soybean meal feed became more expensive.

The domestic pig crop in 1975 was the smallest since 1937. High corn prices made it profitable for farmers to sell their corn in the cash grain market rather than to use it for pig feed. Many farmers not only reduced the size of their operations but exited the hog business entirely. The small pig crop pushed up domestic pork prices. In fact, cash receipts from marketings of hogs in 1975 were the highest on record.

The December 1975–May 1976 pig crop in the United States was 16 percent above the crop for the same period in the previous year. This development has occurred for two reasons. First, as the price and return on hogs increased, it became more profitable to raise hogs than to sell corn on the cash grain market. Secondly, forecasts of a large domestic corn crop have pushed the price of corn down. When prospective corn prices to the individual approach his costs, he will try to improve his return by using the corn for feed.

Although preserved or prepared pork is produced in nearly all parts of the United States, the major producing area is the Midwest. The number of firms declined from 1,374 in 1967 to 1,297 in 1972. Of these, 550 had less than 20 employees. Because of high labor and transportation costs, hog slaughtering operations in recent years have been decentralized from large multipurpose plants to smaller operations located in the areas where hogs are grown.

Table 9 shows the import penetration of canned ham with canned ham imports as a ratio to total ham consumption, both canned and uncanned. With the exception of 1974, imports have been rising slowly as a percentage of total domestic ham consumption.[8] In absolute terms, however, the quantity of imports decreased during the period 1972–June 1976.

TABLE 9.—RATIO OF CANNED HAM IMPORTS TO U.S. PORK AND HAM CONSUMPTION, 1972–75 AND JANUARY–JUNE 1976

| Year | Pork consumption [1] (1,000 lb) | Ham consumption [1 2] (1,000 lb) | Total canned ham imports [1] (1,000 lb) | Total canned ham imports as a percentage of— Pork consumption | Total canned ham imports as a percentage of— Ham consumption | Canned ham imports from all NME's [1] (1,000 lb) | NME canned ham imports as a percentage of— Pork consumption | NME canned ham imports as a percentage of— Ham consumption |
|---|---|---|---|---|---|---|---|---|
| 1972 | 14,077,354.3 | 3,209,636.8 | 403,583.2 | 2.9 | 12.6 | 115,910.9 | 0.8 | 3.6 |
| 1973 | 12,962,020.3 | 2,955,340.6 | 414,754.3 | 3.2 | 14.0 | 113,714.9 | .9 | 3.8 |
| 1974 | 14,115,302.6 | 3,218,289.0 | 389,452.0 | 2.8 | 12.1 | 128,164.2 | .9 | 4.0 |
| 1975 | 11,701,398.8 | 2,667,918.9 | 375,029.3 | 3.2 | 14.1 | 159,069.2 | 1.4 | 6.0 |
| 1976 (January-June) | 5,970,315.8 | 1,361,232.0 | 192,898.2 | 3.2 | 14.2 | 87,733.9 | 1.5 | 6.4 |

[1] In carcass weight. Carcass weight is obtained by multiplying net weight by 1.35.
[2] Ham consumption is obtained by taking 22.8 percent of pork consumption. 22.8 percent represents the amount of pork production which is ham.

Source: U.S. Department of Agriculture statistics.

As the table indicates, the percentage of ham consumption supplied by imports from nonmarket economy countries rose from 3.6 percent in 1972 to 6.0 percent in 1975 and 6.4 percent in the first 6 months of 1976. Hams from Poland and Yugoslavia have been the principal reason for the increase in the percentage.

Imports of canned ham account for almost 95 percent of total pork imports. Compared to total pork consumption, imports of canned ham accounted for between 2.8 and 3.2 percent of domestic pork consumption during the period 1972–June 1976. Canned ham imports from Poland, the source of most imported ham from the NME's, accounted for 0.6 percent of domestic pork consumption in 1972, 1973, and 1974, 0.9 percent of domestic pork consumption in 1975 and the first 6 months of 1976.

## HOPS

Hops, TSUSA item 192.2500, are the cone-like female flowering part of certain varieties of a perennial vine. They are used almost exclusively to provide a distinctive flavor to beer and other fermented malt beverages.

As shown in table 10, the principal suppliers of hops to the United States in 1975 were West Germany, Yugoslavia, France, Czechoslovakia, and Poland. In terms of value West Germany supplied 62.9 percent of total imports, Yugoslavia supplied 26.6 percent, Poland supplied 3.1 percent, Czechoslovakia supplied 2.6 percent and France supplied 3.9 percent. As a group the nonmarket economies supplied 32.3 percent of U.S. imports in 1975; and, during the first six months of 1976, the NME's have supplied 25.1 percent of total imports.

[8] Imports of canned ham might also be compared to the consumption of canned ham. For the period 1965–74, this import/consumption ratio varied between 38 and 48 percent. However, since many imported canned hams are opened, sliced and sold as luncheon meat, they are not directly competitive with domestically produced canned ham. Therefore, since canned ham imports include 99.5 percent of all ham imports, comparing canned ham imports to total ham consumption presents a more realistic picture of the competitive situation.

TABLE 10.—U.S. IMPORTS OF HOPS (TSUSA 192.2500) IN 1974, 1975 AND JANUARY TO JUNE 1976

| Country | Quantity (pounds) | Value (dollars) | Unit value (dollars per pound) | Import consumption ratio (by quantity) | Tariff (average ad valorem equivalent) |
|---|---|---|---|---|---|
| 1974: | | | | | |
| West Germany | 10,193,636 | 13,321,000 | 1.31 | 17.8 | 5.7 |
| Yugoslavia | 3,715,360 | 3,652,000 | .98 | 6.5 | 7.6 |
| France | 1,103,580 | 1,083,000 | .98 | 1.9 | 7.6 |
| Poland | 79,370 | 110,000 | 1.39 | .1 | 5.4 |
| Czechoslovakia | 239,052 | 341,000 | 1.43 | .4 | 16.8 |
| Other | 132,761 | 146,000 | 1.10 | .2 | 6.8 |
| Total | 15,463,759 | 18,652,000 | 1.21 | 27.0 | 6.5 |
| 1975: | | | | | |
| West Germany | 7,493,431 | 9,838,066 | 1.31 | 14.0 | 5.7 |
| Yugoslavia | 3,685,496 | 4,160,020 | 1.13 | 6.9 | 6.6 |
| France | 600,158 | 604,305 | 1.01 | 1.1 | 7.4 |
| Poland | 440,001 | 479,724 | 1.09 | .8 | 6.9 |
| Czechoslovakia | 240,011 | 413,004 | 1.72 | .4 | 13.9 |
| Other | 141,593 | 140,579 | .99 | .3 | 7.6 |
| Total | 12,600,690 | 15,635,698 | 1.24 | 23.5 | 6.3 |
| January to June 1976: | | | | | |
| West Germany | 7,610,118 | 10,522,829 | 1.38 | NA | 5.4 |
| Yugoslavia | 1,950,953 | 2,323,830 | 1.19 | NA | 6.3 |
| France | 239,999 | 247,648 | 1.03 | NA | 7.3 |
| Poland | 480,031 | 623,878 | 1.30 | NA | 5.8 |
| Czechoslovakia | 440,348 | 698,712 | 1.59 | NA | 15.1 |
| Other | 88,230 | 98,961 | 1.12 | NA | 6.7 |
| Total | 10,809,679 | 14,515,858 | 1.34 | NA | 6.1 |

Source: U.S. Department of Commerce, Bureau of the Census, IM 146.

Although total imports of hops decreased in 1975 relative to 1974, imports from the three NME countries increased both in quantity and as a share of consumption. There were no imports from Poland prior to 1974. Data for the first six months of 1976 indicate that the monthly average of imports from Poland and Czechoslovakia is substantially exceeding the monthly average for 1975; imports from Yugoslavia are only slightly higher so far this year. However, typically, more imports enter in the first half of the year than in the second half.

The United States is a net exporter of hops. In 1975 the United States exported 14,061,127 pounds of hops valued at $15,951,444, compared to total imports of 12,600,690 pounds valued at $15,635,698. The United States exports hops to many countries, including West Germany, Czechoslovakia, and the Soviet Union. In 1975 the United States exported 592,448 pounds of hops valued at $432,945 to Czechoslovakia, compared to imports of 240,011 pounds valued at $413,004. Data for 1976 indicate that the Soviet Union's purchases thus far have been very small, compared to 1975, reflecting possible production gains in the Soviet hop industry as well as increased imports from East European countries. In 1975, the Soviet Union purchased $973,697 worth of hops from the United States, compared to purchases of $183,600 during the first six months of 1976.

There is a significant difference between the Column 1 duty rate of 7.5 cents per pound and the Column 2 rate of 24 cents per pound. Hops from Czechoslovakia are the only ones to enter under Column 2. In 1975 the ad valorem equivalent amounted to 13.9 percent for Czechoslovakia, compared to 6.3 percent overall, 6.1 percent for all Column 1 countries, and 5.8 percent for all market economy countries. The specific duties on hops tend to discourage the importation of low value,

medium quality hops (of a kind supplied by U.S. producers) in favor of higher quality, higher value hops, not in sufficient domestic supply. The application of GSP duty-free treatment to hops could have some impact on the U.S. industry, since Yugoslavia is a recipient of GSP treatment and supplies the U.S. with large quantities of hops. Also, much of the hops produced by Yugoslavia is of medium quality and is directly competitive with the hops grown in this country.

The U.S. hop industry is the largest, most efficient, and most advanced technologically in the world. Employment has declined somewhat over the past five years, but this development is partly attributable to the industry's becoming more capital intensive. There are about 350 firms producing hops, all located in far western states. The industry is not highly concentrated; most producers are small firms.

The United States produces an average quality hop, although in recent years is has been emphasizing a higher quality product. In addition, the United States recently has begun to experiment with a number of different varieties of hops in an effort to lessen import dependence.

Imports from West Germany and Czechoslovakia have a high unit value, reflecting their premium quality. These hops are used by only two domestic producers of premium beer. Hops imported from Yugoslavia and Poland have a low unit value, reflecting an average to slightly below average quality. As table 10 indicates, the average unit value for all imported hops was $1.24 in 1975. In contrast, the average unit value of hops exported by the United States in 1975 was $1.13.

### BIRCH PLYWOOD

Birch plywood is classified for duty purposes under TSUS item 240.14 if it has a plain face ply of birch or a face ply of that species finished with a clear or transparent material. The designation "birch plywood" means that the exposed face ply is made of birch.

TSUS item 240.14 is divided into three subcategories, each with a duty of 7.5 percent ad valorem for Column 1 and 50 percent ad valorem for Column 2. The first, 240.1420, consists of the thin plywood panels used for doorskins. This item currently is not being imported from any nonmarket economy countries. The other two items, 240.1440 and 240.1460, are larger plywood panels, either face-finished with a clear glaze or not. Both of these items are being imported in increasing quantities from the Soviet Union. The other major suppliers are Canada, Japan, and Finland. These two items are considered together, since they are often interchangeable.

TABLE 11.—U.S. IMPORTS OF BIRCH PLYWOOD CLASSIFIED UNDER TSUSA ITEMS 240.1440 AND 240.1460, 1972 TO 1975 AND THE 1ST 6 MO OF 1976

| | 1972 | 1973 | 1974 | 1975 | January to June 1976 |
|---|---|---|---|---|---|
| | Quantity in thousands of square feet | | | | |
| Gross imports | 202, 193 | 169, 929 | 103, 758 | 83, 599 | 49, 279 |
| U.S.S.R. | 6, 559 | 12, 571 | 9, 979 | 7, 366 | 11, 362 |
| Canada | 15, 495 | 17, 629 | 8, 763 | 6, 932 | 5, 602 |
| Finland | 77, 600 | 59, 208 | 27, 832 | 15, 600 | 9, 513 |
| Japan | 102, 049 | 79, 790 | 56, 035 | 53, 512 | 22, 801 |
| Import consumption ratio for U.S.S.R. imports [1] | 0. 6 | 1. 3 | 1. 6 | 1. 5 | NA |
| | Value in thousands of U.S. dollars | | | | |
| Gross imports | 31, 399 | 34, 408 | 23, 411 | 16, 328 | 9, 637 |
| U.S.S.R. | 641 | 1, 203 | 1, 267 | 898 | 1, 158 |
| Canada | 2, 179 | 2, 925 | 1, 718 | 1, 269 | 984 |
| Finland | 13, 847 | 16, 424 | 9, 914 | 4, 941 | 2, 564 |
| Japan | 14, 626 | 13, 801 | 10, 352 | 9, 212 | 4, 931 |
| | Unit value—cents per square foot | | | | |
| Gross imports | 15. 5 | 20. 2 | 22. 6 | 19. 5 | 19. 6 |
| U.S.S.R. | 9. 8 | 9. 6 | 12. 7 | 12. 2 | 10. 2 |
| Canada | 14. 1 | 16. 6 | 19. 6 | 18. 3 | 17. 6 |
| Finland | 17. 8 | 27. 7 | 35. 6 | 31. 7 | 27. 0 |
| Japan | 14. 3 | 17. 3 | 18. 5 | 17. 2 | 21. 6 |

[1] These figures are computed for domestic consumption of all birch plywood classes, including TSUSA item 240.1420.

Source: Official U.S. Government publications.

The quantity of imports of birch plywood from the Soviet Union has risen dramatically in 1976 from the level in previous years. In the first 6 months of 1976, the quantity of imports surpassed the level of imports for all previous full years except for the peak year 1973 (see table 11). In addition, the Soviet Union's share of total U.S. imports of birch plywood increased from 3.2 percent in 1972 to 9.6 percent in 1974 to 23.1 percent for the January-June 1976 period. In terms of value, the Soviet Union's share of imports rose gradually from 2.0 percent in 1972 to 5.5 percent in 1975, then jumped to 12.0 percent in the first 6 months of 1976. Birch plywood from the Soviet Union has been able to capture a larger share of U.S. imports of this product partly because U.S. total imports have declined in recent years. As the table shows, the first half of 1976 is the first time in three years that the trend in these imports has been up.

The consumption of both imported and domestic hardwood plywood depends to a great extent on the strength of the housing industry, and in recent years this industry has been rather weak. Additionally, cheaper substitute wall paneling—painted or printed hardwood or plywood—has become more widely used, and, to some extent, has displaced the more expensive decorative plywoods such as birch.

The import/consumption ratio is computed for TSUS 240.14. Since it includes TSUS 240.1420, for which there are no Soviet imports, the comparison of Soviet imports to consumption is lower than it would be if the comparison included only TSUS items 240.1440 and 240.1460. As shown in the table, the import/consumption ratio rose from 0.6 percent in 1972 to 1.6 percent in 1974, decreasing to 1.5 percent in 1975. In 1975, birch plywood imports from the Soviet Union were 1.9 percent of U.S. production, excluding doorskins.

The unit value of birch plywood from the Soviet Union has been lower than that of the other major suppliers. As shown in the table, the unit value of Soviet plywood has averaged less than one-half that of Finnish plywood. By way of comparison, the average unit value of all imported plywood is only about one-third of the unit value of hardwood plywood manufactured in the U.S. One cannot, however, make any valid conclusions about the comparative prices of the various products, imported and domestic, because the price is dependent, to a large extent, on the thickness of the plywood. The TSUSA classifications do not take into account differences in the thickness of the plywood, other than to specify for 240.1440 and 240.1460 that it be thicker than 5/32 inch.

Any hardwood plywood plant can manufacture any other kind of hardwood plywood and could be converted to produce softwood products as well. Hardwood plywood is widely produced throughout the United States. Production data for 1972 indicate that the South produced 45 percent of the U.S. output; the West, 32 percent (Oregon being the chief producing state with 25 percent); the North Central region, 13 percent; and the East, 10 percent. The number of operating plants fluctuates noticeably as slumps and peaks in the housing industry occur. There were 193 plants in 1967, 149 in 1969 and 1970, 189 in 1973, and 180 in 1975. On average, the domestic hardwood plywood industry provides employment for about 15,000 persons.

To date there has been no evidence that imports from the Soviet Union have caused any problems in the domestic industry, where the main concern has been the comparatively low rate of construction. Soviet birch plywood accounts for but a small percentage of total consumption, and those increases in imports of Soviet plywood that have occurred seem to have displaced imports from other countries rather than domestic production.

## FERROALLOYS

Ferroalloys are metallic materials combining iron and at least one additional element. They are used during the manufacturing process in the steel industry as a means of adding to iron or steel certain elements that either improve the quality of the final product or impart particular desired properties to the product. There are many types of ferroalloys that differ in composition according to their intended use.

In recent years imports from the nonmarket economies of the two most important ferroalloys, ferromanganese and ferrosilicon, have been increasing. Most of the imports of ferroalloys from the nonmarket economies have come from Yugoslavia, and, while these imports account for a relatively small share of total U.S. consumption, concern has been expressed that the imports from Yugoslavia may be having some impact on the market.

*Silicon alloys.*[9]—The primary use of ferrosilicon is as a deoxidation and degasification agent in the steel manufacturing process. Some ferrosilicon is also used as an alloying agent to impart hardness to steel, but other ferroalloys are more often used in this application.

Ferrosilicon generally is manufactured in electric furnaces that require large amounts of energy. Therefore, countries with inexpensive electric energy and adequate supplies of silicon ores have a competitive advantage in the manufacture and sale of this product. Also, the manufacturing of ferrosilicon is a highly polluting activity, and firms in countries such as the United States that have adopted pollution regulations, are placed at a competitive disadvantage because of the added capital costs required to control pollution. Despite the adverse impacts of higher energy costs and more stringent pollution rules, the United States ferrosilicon industry was working at full capacity until mid-1974 because of the demands by the steel industry for ferrosilicon and the aluminum casting industry for silicon metal. In fact, domestic capacity was unable to meet domestic demand fully, and imports grew, supplying over 16 percent of domestic consumption in 1974. When the downturn in the economy began in 1974, demand for silicon metal and ferrosilicon alloy fell, so that output in 1975 was nearly 25 percent below the level of 1974.

During this same period imports were falling even faster than output and supplied only 12 percent of domestic consumption in 1975. Through the first six months of 1976, production has been recovering and is running at an annual rate only slightly below that of the peak year of 1974. There is still less than full employment in the industry, however, because new capacity was added during 1975 and 1976.

Table 12 shows the import trend in ferrosilicon for the past five and one-half years. For the period of January–June 1976, total imports entered at an annual rate nearly 30 percent above that of 1975, but well below the rate of 1973 and 1974. Imports from Yugoslavia are also up significantly in 1976 compared to a year ago, but, here again, these imports are coming in at a rate only slightly higher than in 1973, and one-third below the import rate of 1974. In 1976, imports from Yugoslavia have been accounting for nearly 14 percent of total imports, about the same share of total imports as in 1974.

Because of current industry overcapacity the ferrosilicon industry has been expressing increasing concern over imports. As a result, the Ferroalloy Association petitioned the Trade Policy Staff Committee (TPSC) to remove TSUS items 607.51 and 632.42 from the list of items eligible for GSP.[10] The request was subsequently denied by the TPSC.

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[9] For the purpose of this review, silicon metal is considered along with silicon alloys. The reason is that most plants that produce one product produce the other. Silicon metal is used principally in the casting segment of the aluminum industry where its demand is affected greatly by automobile production.
Most silicon imports enter the country as ferrosilicon alloy under TSUS classification 607.51. The other, alloy or silicon metal import classes grouped in this discussion include 607.50, 607.52, 607.53, 632.42, 632.43, and part of 632.84.

[10] Two silicon products from Yugoslavia, ferrosilicon alloy (TSUS 607.51) and silicon metal (TSUS 632.42), received Generalized Special Preferences (GSP) treatment on January 1, 1976, meaning the tariffs were reduced to zero. For item 607.51 this action meant a reduction of 0.5 cents per pound (1.5 percent average ad valorem) and for item 632.42 the reduction was 2.0 cents per pound (3.7 percent average ad valorem).

TABLE 12.—U.S. IMPORTS OF SILICON AND FERROSILICON, 1971 THROUGH JUNE 1976

| | 1971 | 1972 | 1973 | 1974 | 1975 | January to June 1976 |
|---|---|---|---|---|---|---|
| | Value (thousands of U.S. dollars) | | | | | |
| Gross imports | 8,242 | 16,802 | 40,449 | 93,500 | 50,075 | 22,781 |
| From NME countries | 777 | 18 | 2,987 | 11,916 | 1,621 | 1,126 |
| 1. Yugoslavia | (777) | (18) | (2,927) | (10,893) | (1,428) | (1,126) |
| 2. Other | | | (60) | (1,023) | (193) | |
| | Quantity (thousands of pounds) | | | | | |
| Gross imports | 26,549 | 80,301 | 178,354 | 203,334 | 106,023 | 66,160 |
| From NME countries | 3,438 | 110 | 17,194 | 27,696 | 2,915 | 9,129 |
| 1. Yugoslavia | (3,438) | (110) | (17,021) | (26,045) | (2,659) | (9,129) |
| 2. Other | | | (173) | (1,651) | (256) | |

Note: The TSUS items included in this table are 607.50, 607.51, 607.52, 607.53, 632.42, 632.43, and 90 percent of 632.84.

Source: U.S. Department of Commerce, Bureau of the Census, publications IM 146 and FT 246.

The overcapacity in the industry probably will continue through 1980. As added capacity comes onstream there will be more downward pressure on prices. While Yugoslavia possesses the resources—silicon ore and hydroelectric power—to expand its industry, sources in the industry feel that future foreign competition will continue to come from Norway, Sweden, France, and Canada, the leading sources of U.S. imports in recent years. Also, Mexico may play a role in future U.S. imports because of new capacity being constructed there and because of the recent devaluation of the Mexican currency.

*Manganese alloys.*—Ferromanganese possesses many of the same production characteristics as ferrosilicon and other ferroalloys. However, ferromanganese differs from ferrosilicon in that manganese ore is much less widely distributed than is silicon ore. In fact, the United States possesses virtually no deposits of this important mineral. The world's largest manganese ore producer is the Soviet Union, with large quantities also being mined in India, South Africa, Ghana and Morocco. Because of the absence of domestic ores, the U.S. ferromanganese industry is at some disadvantage in comparison to industries in countries with manganese ore, such as the industries of South Africa, Australia, India, China, and the Soviet Union.

Currently the United States is importing around 30 percent of the ferromanganese alloy consumed in this country. The leading sources of U.S. imports have been South Africa and France, with large supplies also coming from Norway, India, Japan, and Gabon. One should note that three of these countries—France, Norway, and Japan—have been able to export large quantities of ferromanganese alloy, despite the fact that these countries lack manganese resources.

Yugoslavia is the only nonmarket economy country from which the U.S. now receives imports of manganese alloys. The share of total imports being supplied by Yugoslavia had been very small, around one percent. However, during the first half of 1976, Yugoslavia's share has expanded to nearly three percent. Through June of this year Yugoslavia has shipped over 50 percent more manganese alloy to the United States than in 1975, a peak year (see table 13).

In 1976, all of the manganese metal being shipped to the United States from Yugoslavia is contained in a ferrosilicon manganese alloy consisting of, by weight, at least 30 percent manganese and at

least 10 percent silicon. In this particular import category, TSUS 607.57, Yugoslavia has supplied the United States with nearly 26 percent of its total imports during the first six months of 1976, compared with 8.5 percent of imports in 1975.[11] The surge in imports from Yugoslavia has been a primary reason why the import/consumption ratio for ferrosilicon manganese has increased from 28 percent in 1975 to 32 percent in the first half of 1976, despite the fact that in this same period domestic production has gone up by almost 16 percent. Domestic production of ferrosilicon manganese now is believed to be running at 90 percent of capacity.

TABLE 13.—U.S. IMPORTS OF MANGANESE METAL, MANGANESE FERROALLOYS, AND SPIEGELEISEN, 1971 THROUGH JUNE 1976

| | 1971 | 1972 | 1973 | 1974 | 1975 | January to June 1976 |
|---|---|---|---|---|---|---|
| | Value (thousands of U.S. dollars) | | | | | |
| Gross imports | 37,572 | 56,349 | 60,774 | 110,437 | 155,411 | 82,325 |
| From NME countries | 472 | 290 | 742 | 1,569 | 2,303 | 2,321 |
| 1. Yugoslavia | (472) | (290) | (742) | (1,569) | (2,303) | (2,321) |
| 2. Other | | | | | | |
| | Quantity (thousands of pounds) | | | | | |
| Gross imports | 424,567 | 609,477 | 672,759 | 750,202 | 692,368 | 403,673 |
| From NME countries | 4,143 | 2,810 | 7,065 | 7,496 | 8,044 | 12,357 |
| 1. Yugoslavia | (4,143) | (2,810) | (7,065) | (7,496) | (8,044) | (12,357) |
| 2. Other | | | | | | |

Note: The TSUS items included in this table are 607.20, 607.21, 607.35, 607.36, 607.36, 607.57, and 632.32.

Source: U.S. Department of Commerce, Bureau of the Census, publications IM 146 and FT 246.

The increase in the import/consumption ratio is due not only to increased imports from Yugoslavia, but also to increased imports from Norway, Mexico, and Brazil. The success enjoyed by Yugoslavia, Mexico, and Brazil in expanding exports of ferrosilicon manganese to the United States may be attributable in part to the fact that these three countries enjoy GSP status. Ferrosilicon manganese is a GSP-eligible item and the tariff reduction resulting from GSP amounts to nearly 8 percent ad valorem equivalent (AVE).[12]

While Yugoslavia's exports of manganese alloys to the United States have expanded rapidly this year, industry analysts believe that, in the long run, the U.S. industry will receive a greater degree of competition from Brazil, Gabon, and Australia. These countries have manganese ore deposits but are only now in the process of developing their ferromanganese industries. Yugoslavia, like the United States, has no significant manganese ore deposits and must import ore. It is believed that most of Yugoslavia's ore is imported from the Soviet Union.

[11] The other import classes grouped under the general heading of ferromanganese include TSUS 607.20 and 607.21, a high-manganese content alloy called spiegeleison (U.S. imports of this product have been zero for the last few years); 607.35, 607.36, 607.37, ferromanganese. Most manganese imports come into the country in class 607.37, a ferromanganese alloy containing over 4 percent carbon. Through June, 1976, 76 percent, by weight, of manganese (excluding ores and chemicals), entered the country in this class. The final two TSUS groups are 607.57, ferrosilicon manganese, and 632.32, unwrought manganese metal, including waste and scrap.

[12] Three additional ferromanganese TSUS items, 607.35, 607.36, 607.37, also receive GSP treatment, but the tariff reduction in these cases amounts to just over 3 percent AVE.

## INSULATED COPPER CONDUCTOR

In the first six months of this year imports of insulated copper conductor from Yugoslavia were greater than in any previous full year. The 10.4 million pounds recorded through June surpassed the 9.1 million pounds imported in 1973. The surge in imports has placed Yugoslavia firmly at the top of the list of countries exporting this product to the United States. Table 14 shows the trend in total imports and imports from Yugoslavia in the last five and one-half years. The share of total imports supplied by Yugoslavia has increased rapidly from slightly less than 10 percent (by weight) in 1971, to around 25 percent in the next four years, to 56 percent in the first half of 1976. In the earlier years Yugoslavia usually trailed Canada, Japan, and other developed countries as a source for this product, but now Yugoslavia is established as the primary source.

The two most immediate reasons for the growth in imports of this Yugoslavian product are, first, that the U.S. economy's gradual recovery has increased the demand for the product, and, second, that the product began receiving GSP treatment on January 1, 1976. The latter development meant that the tariff, a column 1 rate of 8.5 percent ad valorem, was reduced to zero. Of the countries eligible for GSP treatment on this product, Yugoslavia has been supplying by far the largest share of this product to the U.S. market. Under the terms of the Trade Act of 1974, a country would lose its GSP eligibility on a product if it supplies more than 50 percent, by value, of total imports of the product in a calendar year.[13] While more than 50 percent, by weight, of U.S. imports of insulated copper conductor have come from Yugoslavia through the first six months, Yugoslavia does not seem to be in any danger of losing GSP on this item because, by value, Yugoslavian imports equal only 42.8 percent of total imports.

TABLE 14.—U.S. IMPORTS OF INSULATED ELECTRICAL CONDUCTORS, WITHOUT FITTINGS, OVER 10 PERCENT COPPER, 1971 THROUGH JUNE 1976

| | 1971 | 1972 | 1973 | 1974 | 1975 | January to June 1976 |
|---|---|---|---|---|---|---|
| | Value (thousands of U.S. dollars) | | | | | |
| Gross imports | 34,074 | 22,941 | 32,349 | 36,103 | 28,061 | 18,737 |
| From NME countries | 2,104 | 4,648 | 6,207 | 7,108 | 6,438 | 7,999 |
| 1. Yugoslavia | (2,104) | (4,648) | (6,207) | (7,108) | (6,438) | (7,998) |
| 2. Other | | | | | | 1 |
| | Quantity (thousands of pounds) | | | | | |
| Gross imports | 40,538 | 30,674 | 36,692 | 30,304 | 24,494 | 18,522 |
| From NME countries | 4,065 | 8,174 | 9,114 | 7,914 | 7,638 | 10,418 |
| 1. Yugoslavia | (4,065) | (8,174) | (9,114) | (7,914) | (7,638) | (10,417) |
| 2. Other | | | | | | 1 |

Note: The product covered in this table is imported under TSUS item 688.04.

Source: U.S. Department of Commerce, Bureau of the Census, publications IM 146 and FT 246.

Although Yugoslavia's share of U.S. imports is quite large, it amounts to very little, in comparison to total domestic consumption of insulated copper conductor. While no precise figures are available for the import/consumption ratio of the type of insulated copper conductor under consideration here, figures are available that show total electrical conductor imports accounting for roughly 3 percent

[13] This provision, and others, of the U.S. Generalized System of Preferences is set out in Title V of the Trade Act of 1974.

of all electrical conductor consumed in the United States. Taken in, the aggregate then, Yugoslav copper conductor poses no immediate threat to the U.S. industry. In certain specific product areas, however imports from Yugoslavia have the potential for causing some market disruption. One such area is fine insulated copper conductor. Imports of this product are classified in TSUSA item 688.0420, a subset of the more general grouping of insulated copper conductor.[14] The copper conductor in this grouping is generally referred to as "magnet wire" because of its use in electromagnet windings and transformer coils. The larger U.S. manufacturers of this product see little threat from the Yugoslavs. There are, however, a few, small independent operators who would be adversely affected were imports of this item to increase significantly. To date, however, there have been no indications of any hardships in the industry because of imports from Yugoslavia. In 1976, through June, 22 percent (by weight) of imports of insulated copper conductor from Yugoslavia have been of the "magnet wire" variety.

Yugoslavia is well-suited to be an effective competitor in world markets for this copper product as well as for other wrought copper products. Yugoslavia ranks seventh among world copper mining countries and is the largest in Europe, except for Soviet Russia. Until recently Yugoslavia had been a net importer of copper, but rapid growth in the production of ores, blister copper, and refined copper during early 1970's has made the country a net exporter. In addition, Yugoslavia's relatively new and modern fabricating industry is capable of producing sophisticated copper products in some areas. Here one would include the wire-drawing industry which produces the fine "magnet wire". Also, quality copper sheet and foils are produced and exported, the foil going principally to the Soviet Union, probably for use in that country's expanding automotive industry.

While Yugoslavia is not the only country in Eastern Europe producing large quantities of copper products (Poland and the Soviet Union have large industries), Yugoslavia seems to be the only country in the area with the ability to compete effectively in the U.S. market. Poland, although producing and exporting more refined copper than Yugoslavia, lags behind Yugoslavia in the production of wrought products. In the case of the Soviet Union, very high column 2 tariff rates present an effective barrier, preventing that country's products from penetrating the U.S. market. The column 2 rate on insulated copper conductor, for example, is 40 percent ad valorem.

### AGRICULTURAL TRACTORS

TSUSA item 692.3020 is defined in the tariff schedules as "new wheel type tractors, suitable for agricultural use, except garden tractors, 35-belt horsepower and over." As with all agricultural tractors, this item enters duty-free for both MFN and Column 2 countries. Imports from Romania of these tractors first entered the United States in 1971. By 1975, new wheel agricultural tractors were Romania's fifth largest export item to the United States. In the first six months of 1976, this item ranked third largest among Romanian exports to the United States. The Soviet Union and Poland began exporting

[14] This is a new TSUSA item, established as of January 1, 1976, and contains all insulated copper conductor, without fittings, 33 AWG and finer. Prior to the establishment of this new TSUSA number, there was no statistical breakout that segregated insulated copper conductor according to gauge.

these tractors to the United States in 1974. Other NME countries which have been one-time import sources of wheeled agricultural tractors are East Germany (1972), Yugoslavia (1973), and Czechoslovakia (1975).

While the share of imports supplied by three of the traditional sources—the United Kingdom, Italy, and Japan—fell during the period 1972–June 1976, Romania's share jumped from 6.5 percent in 1972 to 23.6 percent in the first six months of 1976, ranking it as the second largest supplier in 1976 behind West Germany. In terms of value, Canada was the largest source of tractors for the period 1972–June 1976, supplying 40.7 percent of the total value of imports for the first half of 1976. In comparison, Romania supplied only 7.5 percent of the total value of imports in that period.

Table 15 enables one to gauge the size and cost trends of tractor sales in the United States over the last 30 years. The table also provides a basis for comparing imported Romanian and Soviet tractors to the average tractor being sold today. Column 2 in the table gives one a rough gauge of the degree that price inflation has affected tractor sales in the last 30 years. The price per horsepower in 1975 was nearly four times greater than in 1945. Actually, the per horsepower price probably understates price inflation to some extent, for the average horsepower of tractors has been getting larger (see column 3), and production efficiencies allow the manufacture of more powerful tractors at a lower cost-per-horsepower than would be needed to make a less powerful vehicle. On the other hand, simply focusing on the cost-per-horsepower ignores qualitative improvements that have been made in the last three decades, and in this sense column 2 overstates the impact of inflation.

TABLE 15.—WHEEL TRACTOR WHOSALE PRICES AND HORSEPOWER,[1] SELECTED YEARS

| Year | Per unit | Per horsepower | Average unit horsepower |
|---|---|---|---|
| | (1) | (2) | (3) |
| 1945 | $665 | $25 | 26.6 |
| 1950 | 1,073 | 37 | 29.0 |
| 1955 | 1,554 | 39 | 39.8 |
| 1960 | 2,338 | 49 | 47.7 |
| 1965 | 3,541 | 56 | 63.2 |
| 1970 | 5,560 | 76 | 73.2 |
| 1973 | 6,953 | 85 | 81.8 |
| 1974 | 7,294 | 86 | 84.8 |
| 1975 | 8,288 | 94 | 88.2 |

[1] Estimated at wholesale level by dividing value of manufacturers' shipments by units shipped and by maximum belt horsepower; data are published in "Current Industrial Reports" of the Bureau of the Census.

Turning now to a comparison between Romanian tractors and the average tractor, one might first note that in 1975 the average unit value of imported Romanian tractors was $1,981. This figure compares to an average wholesale tractor price of $8,288 and an average unit value of all imports of $6,642. In the same year the unit value of imported Soviet tractors was $2,401 (see table 16).

At present, two firms import tractors from Romania for sale in the United States. The larger of these firms, located in North Carolina, imports three models of tractors. One is 35-horsepower, another 42-

horsepower, and the third, 52-horsepower. The company intends to import two more models of considerably higher horsepower in the next two years. These Romanian tractors are considered to be equally well or better performing than domestically produced tractors. The firm buys spare parts from Romania for its tractors and distributes these parts at service areas throughout the country.

The Soviet Union offered five tractor models when that country began selling tractors in the United Stages during 1974. Two of these tractor models are in the 70-horsepower range, two are in the 50-horsepower range, and one is in the 30-horsepower range. No data are available that show the composition of imports of Soviet and Romanian tractors, and the average domestic wholesale price is, therefore, not meaningful. Reports indicate, however, that both the Romanian and Soviet tractors are priced below comparable domestic tractors.

TABLE 16.—UNITED STATES IMPORTS OF AGRICULTURAL TRACTORS (TSUSA 692.3020) 1972–75, JANUARY TO JUNE 1975, AND JANUARY TO JUNE 1976

| Country | 1972 | 1973 | 1974 | 1975 | January to June 1975 | January to June 1976 |
|---|---|---|---|---|---|---|
| | Quantity (units) | | | | | |
| Canada | 565 | 932 | 1,486 | 1,605 | 988 | 839 |
| United Kingdom | 3,948 | 4,279 | 5,251 | 5,365 | 3,118 | 2,090 |
| Federal Republic of Germany | 2,782 | 1,237 | 5,406 | 4,686 | 2,522 | 3,253 |
| Czechoslovakia | | | | 1 | 1 | |
| Poland | | | 227 | 551 | 370 | |
| U.S.S.R. | | | 78 | 846 | 412 | 81 |
| Italy | 1,248 | 1,315 | 1,789 | 711 | 659 | 169 |
| Romania | 792 | 3,258 | 4,176 | 4,102 | 2,150 | 2,236 |
| Japan | 2,437 | 4,078 | 4,636 | 523 | 305 | 803 |
| Other | [1] 418 | [2] 441 | 899 | 418 | 188 | 23 |
| Total | 12,190 | 15,540 | 23,948 | 18,808 | 10,713 | 9,494 |
| | Value (thousands of dollars) | | | | | |
| Canada | 8,663.7 | 17,966.5 | 33,535 | 46,866.9 | 28,052.9 | 26,395.3 |
| United Kingdom | 12,424.3 | 14,552.5 | 19,946 | 26,274.7 | 14,585.0 | 10,040.1 |
| Federal Republic of Germany | 11,378.1 | 5,055.9 | 27,165 | 31,943.5 | 15,451.5 | 19,306.9 |
| Czechoslovakia | | | | 9.5 | 9.5 | |
| Poland | | | 845 | 2,046.9 | 1,465.1 | |
| U.S.S.R. | | | 266 | 2,031.0 | 1,026.2 | 115.1 |
| Italy | 3,492.4 | 4,114.9 | 6,406 | 2,886.4 | 2,524.0 | 1,169.8 |
| Romania | 1,297.2 | 5,160.9 | 7,044 | 8,125.5 | 4,233.0 | 4,872.1 |
| Japan | 3,119.7 | 5,708.4 | 8,228 | 2,607.7 | 1,278.5 | 2,590.9 |
| Other | [1] 1,236.0 | [2] 1,077.0 | 2,928 | 2,139.7 | 881.1 | 294.0 |
| Total | 41,611.5 | 53,636.1 | 106,667 | 124,931.8 | 69,506.8 | 64,784.3 |
| | Unit value (U.S. dollars per unit) | | | | | |
| Canada | $15,334 | $19,277 | $22,567 | $29,201 | $28,394 | $31,460 |
| United Kingdom | 3,147 | 3,401 | 3,799 | 4,897 | 4,678 | 4,804 |
| Federal Republic of Germany | 4,090 | 4,087 | 5,025 | 6,817 | 6,127 | 5,935 |
| Czechoslovakia | | | | 9,500 | 9,500 | |
| Poland | | | 3,722 | 3,715 | 3,960 | |
| U.S.S.R. | | | 3,410 | 2,401 | 2,491 | 1,421 |
| Italy | 2,798 | 3,129 | 3,581 | 4,060 | 3,830 | 6,922 |
| Romania | 1,638 | 1,584 | 1,687 | 1,981 | 1,969 | 2,179 |
| Japan | 1,280 | 1,400 | 1,775 | 4,986 | 4,192 | 3,227 |
| Other | 2,957 | 2,442 | 3,257 | 5,119 | 4,687 | 12,783 |
| Total | 3,414 | 3,451 | 4,454 | 6,642 | 6,488 | 6,824 |

[1] East Germany, quantity equals 74; value equals 338.4.
[2] Yugoslavia, quantity equals 149; value equals 234.8.

Source: U.S. Department of Commerce, Bureau of the Census publication IM–146.

The ratio of Romanian tractor imports to consumption may be computed in two ways. Data are available only for total tractor consumption (including agricultural and non-agricultural, wheeled, tracklaying, and garden tractors). Except for negligible quantities, tractors imported from Romania have been wheeled agricultral tractors, although in the first six months of 1976, tracklaying agricultural tractors also entered. In 1974, the ratio of Romanian wheeled tractors to total tractor consumption was 0.8 percent, increasing to 0.9 percent in 1975. This compares to an import/consumption ratio of total tractor imports to total tractor consumption of 10.2 percent in 1974 and 9.1 percent in 1975. Alternatively, imports of Romanian tractors may be compared to retail sales of farm wheel tractors, excluding garden tractors, motor tillers and contractor's off-highway types but including sales of imported tractors. Using this method, the new, wheeled agricultural tractors over 35 horsepower imported from Romania made up 1.8 percent of retail sales in 1973 and 2.5 percent in 1974.[15] In comparison, total imports of new, wheeled agricultural tractors over 35 horsepower made up 8.5 percent of retail sales in 1973 and 14.6 percent in 1974.

In 1976, Romania began exporting tracklaying agricultural tractors, TSUSA item 692.3030, to the United States. Eighty-eight units were imported from Romania in the first six months of 1976. Romania's share of total imports was 23.0 percent. The unit value of the Romanian tracklaying tractors was $1,688, compared to an average unit value for all imports of this item of $10,900.

There are about 90 U.S. manufacturers of tractors and related machinery, centered principally in the East North Central States. The 10 largest account for about 80 percent of total domestic production. The major producers manufacture tractors suitable for agricultural and non-agricultural uses as well as small "garden" tractors. Since 1973, domestic production of tractors and parts has reached record levels. The U.S. industry is characterized by competitive prices, advanced designs and an efficient distribution system, whereas the sale of foreign tractors is inhibited by a relative lack of service organizations within the United States, difficulty in acquiring necessary parts, and a relatively long lead time between orders and delivery. From 1968 to 1975, the United States was a net exporter of tractors, exporting from 3 to 5 times as many tractors as it imported in any given year.

[15] Retail sales were computed using data provided by the Farm and Industrial Equipment Institute in *Implement & Tractor*, November 21, 1974 and November 7, 1975.

COTTON HEADWEAR

Headwear, TSUSA item 702.1020 [16] is defined in the tariff schedules as "other headwear, not knit, of cotton." Imports in this category from the People's Republic of China and other Far East countries consist of inexpensive roll-up type hats, souvenir hats, tennis hats, golf hats, baseball hats, sailor hats, and other novelty hats. Imports from Australia are bush hats, and those from the United Kingdom are Irish setter Kogol hats. Headwear from Australia and the United Kingdom are not comparable or competitive with the other imports that are the subject of this section.

Although domestic consumption of cloth hats as a whole has decreased, consumption of this particular type of cloth hat has increased. Demand for hats falling into TSUSA category 702.1020 has increased because of the trend toward outdoor sports and leisure activities, especially tennis and golf.

In spite of increased cosumption, domestic production of these hats is down. At present, there are about 100 firms producing these hats with the largest concentration in the New York metropolitan area, including New Jersey. Other producers are located around St. Louis and Philadelphia. Most of these firms make only cloth hats, although the machinery can be converted easily to produce other types of headwear and wearing apparel. In peak periods, each firm employs from 50 to 100 employees, but most firms now are operating at only 50 to 60 percent of capacity. Although it is safe to say that employment is down, the industry does not have exact employment figures.

The largest foreign suppliers of these hats to the U.S. market are in Hong Kong, Korea, the People's Republic of China (PRC), and Japan. United States imports from the first three countries rose substantially during the 1971–75 period. Imports from Japan have declined since 1972 because of rising Japanese wage rates, and production has been shifting to Hong Kong and Korea. For the first six months of 1976, Hong Kong supplied 44 percent of total U.S. imports, while Korea and the PRC each supplied about 23 percent. Imports from the PRC increased from 92 dozen in 1971 to 299,090 dozen in 1975 and 216,480 dozen in the first six months of 1976 (see table 17).

The unit value of the domestically produced cotton hat is estimated to be about $11–$13 per dozen at present, depending on the type of hat. Imported hats from the Far East have unit values less than half that amount (see table 17). Hats from the PRC have had the lowest unit value since 1972. During the first six months of 1976, the unit value of hats from the PRC was $3.37 per dozen. The low unit value of imported headwear in comparison to the domestic price means that existing tariff rates are largely ineffective in protecting U.S. producers. The column 2 rate that applies to imported headwear from the PRC is 37.5 percent ad valorem, while the column 1 rate applying to headwear from the other Asian countries is 20 percent ad valorem.

[16] Beginning Jan. 1, 1976, TSUSA item 702.1220.

TABLE 17.—HEADWEAR, NOT KNIT, OF COTTON (TSUSA ITEM 702.1020):[1] U.S. IMPORTS FOR CONSUMPTION, BY PRINCIPAL SOURCES, 1971–75, JANUARY TO JUNE 1975 AND JANUARY TO JUNE 1976

| Source | 1971 | 1972 | 1973 | 1974 | 1975 | January to June 1975 | January to June 1976 |
|---|---|---|---|---|---|---|---|
| | Quantity (dozens) | | | | | | |
| Hong Kong | 104,174 | 160,911 | 339,845 | 468,828 | 618,871 | 370,871 | 426,975 |
| Republic of Korea | 41,292 | 83,056 | 99,509 | 179,066 | 278,388 | 146,148 | 226,680 |
| People's Republic of China | 92 | 2,592 | 35,797 | 152,964 | 299,090 | 240,148 | 216,480 |
| Japan | 626,012 | 738,269 | 419,464 | 247,423 | 156,165 | 108,870 | 42,693 |
| United Kingdom | 1,292 | 7,343 | 2,636 | 5,883 | 9,880 | 4,420 | 911 |
| Australia | | 381 | 680 | 3,321 | 5,366 | 4,820 | 1,913 |
| All other | 47,392 | 51,850 | 43,283 | 52,563 | 53,895 | 25,532 | 59,757 |
| Total | 820,254 | 1,044,402 | 941,214 | 1,110,048 | 1,421,655 | 900,809 | 975,409 |
| | Value (dollars) | | | | | | |
| Hong Kong | 391,959 | 663,947 | 1,652,718 | 2,985,194 | 3,403,411 | 2,104,172 | 2,023,235 |
| Republic of Korea | 160,399 | 298,929 | 437,826 | 991,610 | 1,435,243 | 819,814 | 1,145,093 |
| People's Republic of China | 649 | 8,236 | 102,797 | 504,951 | 1,141,630 | 914,511 | 728,487 |
| Japan | 2,356,288 | 2,785,519 | 1,829,357 | 1,600,225 | 965,471 | 693,121 | 259,586 |
| United Kingdom | 52,607 | 102,622 | 137,179 | 120,767 | 196,861 | 98,910 | 43,112 |
| Australia | | 7,349 | 16,192 | 80,581 | 130,576 | 116,800 | 53,267 |
| All other | 235,918 | 229,384 | 212,072 | 333,389 | 395,694 | 224,359 | 375,719 |
| Total | 3,197,820 | 4,095,986 | 4,388,141 | 6,616,717 | 7,668,886 | 4,971,687 | 4,628,499 |
| | Unit value (dollars per dozen) | | | | | | |
| Hong Kong | 3.76 | 4.13 | 4.86 | 6.37 | 5.50 | 5.67 | 4.74 |
| Republic of Korea | 3.88 | 3.60 | 4.40 | 5.54 | 5.16 | 5.61 | 5.05 |
| People's Republic of China | 7.05 | 3.18 | 2.87 | 3.30 | 3.82 | 3.81 | 3.37 |
| Japan | 3.76 | 3.77 | 4.36 | 6.47 | 6.18 | 6.37 | 6.08 |
| United Kingdom | 40.72 | 13.98 | 52.04 | 20.53 | 19.93 | 22.38 | 47.32 |
| Australia | | 19.29 | 23.81 | 24.26 | 24.33 | 24.23 | 27.84 |
| All other | 4.98 | 4.42 | 4.90 | 6.34 | 7.34 | 8.79 | 6.29 |
| Total | 3.90 | 3.92 | 4.66 | 5.96 | 5.39 | 5.52 | 4.75 |

[1] Beginning Jan. 1, 1976, TSUSA item 702.1220.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Despite the difference in price between domestic and imported hats, there is little difference in quality. In some instances, the imported hats are of better quality, since domestic producers have cut quality to remain competitive.

There have been reports that the industry is planning to petition the United States International Trade Commission for import relief under sec. 201 of the Trade Act of 1974. There had been early indications that the industry was considering a request for relief from headwear imports from the PRC under sec. 406 of the Trade Act. Section 406 deals exclusively with market disruption caused by imports from Communist countries. Although it is easier to establish the existence of market disruption under sec. 406 than under sec. 201, the industry representatives apparently decided that relief from imports of PRC headwear alone would not be adequate, since Chinese headwear constitutes but 22 percent of total cotton headwear imports. Moreover, the value of imports of this item from the PRC was over 20 percent lower in the first 6 months of 1976 than in the same period in 1975. Additionally, there is evidence to suggest that headwear from Hong Kong is manufactured using materials from the PRC. Sanctions against PRC headwear, then, might only succeed in diverting shipments of headwear to Hong Kong for final processing before shipment to the United States.

# APPENDIX

## Leading U.S. Imports and Exports in Trade With the Nonmarket Economy Countries

Table A1.--Leading items imported from the U.S.S.R. in the first six months of 1976 with corresponding figures for the second quarters of 1976 and 1975

(In U.S. dollars)

| TSUSA number | Description | January-June 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|
| 475.0550 | Fuel oil, Saybolt Universal viscosity 145 seconds or more, NES, under 25 degrees A.P.I. | $17,861,422 | $ 9,857,771 | $ 6,284,631 |
| 605.0290 | Platinum group metals and combinations, NES | 15,191,177 | 8,460,583 | 9,331,463 |
| 601.1560 | Chrome ore, 46% or more chromic oxide | 7,651,502 | 2,978,100 | 8,038,722 |
| 605.0260 | Palladium | 6,433,304 | 5,905,519 | 299,984 |
| 653.2260 | Metal coins NES | 6,043,655 | 3,149,095 | 31,353 |
| 618.1000 | Aluminum waste and scrap | 5,396,729 | 5,237,167 | - |
| 520.3200 | Diamonds, not over 1/2 carat, cut, not set | 4,365,594 | 2,411,084 | 1,041,199 |
| 620.0300 | Unwrought nickel | 3,829,224 | 1,706,894 | 1,602,809 |
| 605.0710 | Platinum bars, plates, etc. | 3,288,824 | 1,972,504 | 2,557,635 |
| 601.1520 | Chrome ore, not over 40% chromic oxide | 2,910,167 | - | 472,106 |
| 124.1045 | Sable furskins, whole, raw | 2,523,789 | 354,164 | 15,831 |
| 692.3040 | New agricultural tractors NES | 1,509,772 | 1,079,475 | 71,494 |
| 423.0060 | Inorganic oxides, hydroxides and peroxides | 1,488,832 | 478,832 | 42,322 |
| 605.0270 | Rhodium | 1,368,671 | 1,340,454 | 8,072,013 |
| 518.1160 | Asbestos NES, crudes, etc., not manufactured | 1,292,721 | 894,489 | - |
| 765.0300 | Paintings, etc., by hand | 1,253,179 | 1,168,355 | 26,038 |
| 629.1500 | Unwrought titanium and waste and scrap | 1,227,364 | 1,183,782 | 950,158 |
| 520.3300 | Diamonds, over 1/2 carat, cut, not set | 1,100,095 | 541,527 | 285,433 |
| 240.1460 | Plywood, birch face ply, clear finish, NES | 990,695 | 549,204 | - |
| 480.6540 | Anhydrous ammonia | 944,978 | - | - |
| | Total imports itemized above | $86,671,694 | $49,268,999 | $39,123,191 |
| | Total U.S. imports from U.S.S.R. | $96,648,521 | $53,955,804 | $54,230,562 |

Table A2.--Leading items exported to the U.S.S.R. in the first six months of 1976 with corresponding figures for the second quarters of 1976 and 1975

(In U.S. dollars)

| Schedule B number | Description | January-June 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|
| 044.0060 | Yellow corn, unmilled, NEC | $ 833,266,920 | $401,166,158 | $ 38,855,597 |
| 041.0020 | Wheat, unmilled, except for relief | 78,120,346 | 14,241,401 | 57,931,098 |
| 712.5068 | Tracklaying tractors, 200 net engine horsepower and over | 61,089,151 | 26,334,499 | 12,431,416 |
| 221.4000 | Soybeans | 60,308,027 | 31,524,441 | 1,284 |
| 719.2162 | Oil-well/field pumps for liquids | 20,434,028 | 6,487,680 | 2,118,638 |
| 042.2060 | Rice, milled, NEC, medium grain | 15,195,362 | 4,229,588 | - |
| 714.2140 | Foundry machines NEC, and parts NEC | 14,240,897 | 8,890,003 | - |
| 715.1068 | Multi-station machines, metalcutting, new, valued $1000 and over | 13,231,425 | 9,950,472 | 10,915,431 |
| 711.6000 | Gas turbines NEC, and parts for mechanical drives | 12,344,627 | 177,000 | 210,600 |
| 715.2120 | Molding machines, and parts NEC | 11,525,825 | 2,777,735 | 1,096,256 |
| 732.8930 | Parts and accessories for tracklaying tractors | 10,928,899 | 4,660,164 | 2,451,978 |
| 893.0045 | Pressure sensitive tape, plastic | 10,871,304 | 5,883,264 | 1,218,067 |
| 729.9225 | Parts and attachments, NEC, for electric industrial furnaces and ovens | 7,576,623 | 4,974,825 | 2,501,606 |
| 718.4244 | Dozers for mounting on tractors | 6,914,358 | 2,979,348 | 1,317,545 |
| 717.1260 | Knitting machines NEC | 6,586,899 | 6,586,899 | - |
| 719.3170 | Conveyors NEC | 6,084,500 | 3,688,598 | 2,520,967 |
| 719.1973 | Industrial processing vessels, and parts, NEC | 5,802,534 | 4,571,945 | - |
| 719.2370 | Filtering, etc., machines, and parts, NEC | 5,099,341 | 3,595,365 | 825,007 |
| 719.2170 | Parts and attachments, NEC, for pumps for liquid | 5,003,229 | 4,466,929 | 2,007,300 |
| 718.4256 | Mining machines NEC | 4,797,389 | 10,626 | 327,224 |
| | Total exports itemized above | $1,189,421,684 | $547,196,940 | $136,730,014 |
| | Total U.S. exports to the U.S.S.R. | $1,402,213,321 | $611,876,988 | $245,330,407 |

Table A3.--Leading items imported from the People's Republic of China in the first six months of 1976 with corresponding figures for the second quarters of 1976 and 1975

(In U.S. dollars)

| TSUSA number | Description | January-June 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|
| 320.2032 | PC white cotton shirting NES (average yarn number, 20) | $ 7,129,686 | $ 3,411,488 | $ 232,372 |
| 766.2560 | Antiques NSPF | 5,742,005 | 1,133,019 | 870,494 |
| 622.0200 | Tin, other than alloys, unwrought | 5,379,708 | 3,106,000 | 11,949,324 |
| 320.1038 | ABC white cotton sheeting, carded (average yarn number, 10) | 3,615,789 | 1,554,337 | 938,215 |
| 755.1500 | Fireworks | 3,494,742 | 2,337,667 | 1,161,051 |
| 186.1560 | Feathers not meeting Federal standards | 2,742,748 | 1,197,092 | 329,719 |
| 186.3000 | Bristles, crude or processed | 2,396,079 | 1,361,761 | 379,013 |
| 222.4000 | Baskets and bags of bamboo | 1,663,512 | 834,885 | 297,516 |
| 114.4557 | Shrimp, raw, peeled | 1,657,438 | 431,209 | 18,129 |
| 320.3032 | PC white cotton shirting NES (average yarn number, 30) | 1,656,546 | 827,520 | 138,139 |
| 308.0440 | Raw silk, in skeins, etc., NES | 1,560,047 | 750,977 | 737,072 |
| 176.6000 | Tung oil | 1,536,150 | 540,682 | 491,845 |
| 161.8300 | Pepper, capsicum, etc., unground | 1,454,509 | 1,089,031 | 655,886 |
| 320.1058 | White cotton twill NES, carded | 1,447,370 | 748,523 | 600,555 |
| 160.5000 | Tea, crude or prepared | 1,366,172 | 652,938 | 335,686 |
| 186.1565 | Downs not meeting Federal standards | 1,266,050 | 545,284 | - |
| 114.4545 | Shrimps and prawns, with shells on | 1,231,989 | 594,537 | 544,887 |
| 222.4400 | Baskets and bags of unspun vegetable materials, NES | 1,219,393 | 605,226 | 676,500 |
| 702.3780 | Headwear, not sewn, blocked or trimmed, not bleached or colored | 1,093,160 | 518,683 | 269,222 |
| 161.1300 | Cassia, cassia buds, and cassia vera, unground | 1,060,106 | 261,949 | 166,169 |
| | Total imports itemized above | $48,713,199 | $22,502,808 | $20,791,794 |
| | Total U.S. imports from the People's Republic of China | $86,750,940 | $39,686,191 | $34,670,051 |

Table A4.--Leading items exported to the People's Republic of China in the first six months of 1976 with corresponding figures for the second quarters of 1976 and 1975

(In U.S. dollars)

| Schedule B number | Description | January-June 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|
| 684.0120 | Aluminum and aluminum alloys, unwrought, NEC | $25,641,310 | - | - |
| 711.3100 | Steam engines and turbines incorporating boilers, and parts, NEC | 7,655,637 | $4,556,763 | $1,422,345 |
| 266.2120 | Polyester staple, not corded or combed, etc. | 6,548,520 | 4,693,444 | - |
| 719.1975 | Machines and parts, NEC, for treatment of materials by temperature change, etc. | 6,450,963 | 562,044 | 4,214,058 |
| 719.2230 | Gas compressors, centrifugal and axial | 5,600,032 | 1,133,951 | 163,193 |
| 711.6000 | Gas turbines, NEC, and parts for mechanical drives | 4,809,718 | 231,197 | - |
| 711.1050 | Steam power boilers NEC | 3,293,546 | - | - |
| 282.0010 | Number 1 heavy melting steel scrap, except stainless | 3,205,659 | - | 1,600,000 |
| 719.2220 | Air compressors, stationary, over 100 horsepower | 3,041,068 | - | 90,307 |
| 719.3180 | Lifting and loading machines NEC, and parts | 2,842,200 | 1,546,232 | - |
| 678.5032 | Steel tube and pipe flanges, forged | 2,731,753 | 1,215,261 | - |
| 678.2010 | Carbon steel standard pipe, seamless, black | 2,167,376 | 773,109 | - |
| 599.9920 | Compound catalysts, except nickel | 2,125,858 | 1,266,926 | 12,600 |
| 732.0320 | Trucks, off-highway, nonmilitary | 1,926,435 | 1,926,435 | - |
| 719.9242 | Nonautomatic valves, etc., and parts, NEC, of iron and steel | 1,912,509 | 922,394 | 646,165 |
| 711.1040 | Power boilers, steam generating water tube, stationary, over 400,000 pounds/hour capacity | 1,713,649 | - | - |
| 691.1015 | Fabricated structural iron and steel | 1,670,815 | 854,826 | 481,176 |
| 692.1110 | Tanks for storage or manufacturing use, and septic tanks, of iron or steel | 1,428,912 | 723,636 | 45,363 |
| 581.2006 | Polyethyl resins, high density | 1,401,000 | 1,401,000 | - |
| 678.5060 | Iron tube and pipe fittings, NEC | 1,320,755 | 271,768 | 107,170 |
| | Total exports itemized above | $87,487,715 | $22,078,986 | $8,782,377 |
| | Total U.S. exports to the People's Republic of China | $119,581,259 | $34,163,053 | $77,263,962 |

Table A5.--Leading items imported from Poland in the first six months of 1976 with corresponding figures for the second quarters of 1976 and 1975

(In U.S. dollars)

| TSUSA number | Description | January-June 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|
| 107.3525 | Canned hams, shoulders, over 3 pounds | $ 59,993,319 | $31,308,996 | $21,439,744 |
| 700.3550 | Men's leather footwear NES, cement soles | 5,788,949 | 2,150,772 | 1,164,268 |
| 107.3560 | Pork NES, canned, bones, and cooked | 4,987,378 | 2,337,277 | 1,047,523 |
| 521.3180 | Coal NES, including lignite, except peat | 4,594,550 | 3,534,180 | - |
| 608.8420 | Steel plate, neither shaped, cold rolled, nor coated | 4,032,709 | 1,488,913 | 3,738,926 |
| 403.6000 | Other cyclic organic chemical products | 3,845,379 | 2,142,868 | 1,076,330 |
| 110.4710 | Cod blocks, frozen, over 10 pounds each | 3,352,618 | 764,901 | 1,079,870 |
| 1/ 335.9500 | Other woven fabrics of vegetable fibers, NES, over 4 ounces per sq. yard | 2,976,228 | 1,634,773 | 622,946 |
| 727.1500 | Furniture and parts of bentwood | 2,905,078 | 1,521,239 | 1,202,133 |
| 646.2620 | Brads, nails, etc., smooth shank, round wire, over 1 inch in length, over 0.065 inch in diameter | 2,871,760 | 1,643,208 | 686,477 |
| 382.1206 | Women's raincoats NES, valued over $4 each, 3/4 length, not knit or ornamented | 2,618,936 | 880,853 | 291,604 |
| 692.1090 | Motor vehicles NES | 2,239,920 | 1,033,470 | 1,536,884 |
| 700.4540 | Women's leather footwear, cement soles, valued over $2.50 per pair | 1,777,953 | 1,043,815 | 54,755 |
| 407.7220 | Sulfamethazine | 1,354,200 | 700,200 | 29,388 |
| 407.8540 | Sulfathiazole | 1,333,285 | 1,018,448 | 270,812 |
| 700.3555 | Boys' leather footwear NES, cement soles | 1,318,282 | 445,253 | 245,875 |
| 642.0200 | Barbed wire | 1,186,859 | 560,581 | 262,788 |
| 437.3200 | Antibiotics NSPF | 1,100,741 | 497,867 | 210,577 |
| 124.1010 | Fox furskins, except silver and black, undressed | 1,013,742 | 382,809 | 306,323 |
| 646.2640 | Brads, nails, etc., NES, round wire, over 1 inch in length, over 0.065 inch in diameter | 941,782 | 543,553 | 397,514 |
| | Total imports itemized above | $110,233,668 | $55,633,976 | $35,664,737 |
| | Total U.S. imports from Poland | $155,026,073 | $78,746,426 | $55,752,831 |

1/ Prior to January 1, 1976, this item was classified under the now deleted number 335.9040.

Table A6.--Leading items exported to Poland in the first six months of 1976 with corresponding figures for the second quarters of 1976 and 1975

(In U.S. dollars)

| Schedule B number | Description | January-June 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|
| 044.0060 | Yellow corn, unmilled, NEC | $124,137,932 | $57,937,306 | $23,259,543 |
| 041.0020 | Wheat, unmilled, except for relief | 43,181,326 | 29,883,465 | - |
| 081.3030 | Soybean oil-cake and meal | 25,825,951 | 13,178,418 | 8,825,016 |
| 263.1031 | Cotton, upland domestic, 1 to 1-1/8 inch | 9,698,125 | 9,698,125 | 589,186 |
| 221.4000 | Soybeans | 7,204,843 | 4,032,745 | 9,434,177 |
| 732.8930 | Parts and accessories for tracklaying tractors | 6,896,099 | 3,035,798 | 522,890 |
| 271.3010 | Florida phosphate hard rock and land pebble | 4,231,986 | 1,600,815 | 2,172,045 |
| 211.1010 | Cattle hides, whole | 3,748,498 | 2,158,934 | 1,793,495 |
| 043.0000 | Barley, unmilled | 3,365,016 | 3,365,016 | - |
| 045.9015 | Grain sorghums, unmilled | 3,270,299 | - | - |
| 411.3220 | Tallow, inedible | 2,702,117 | 2,702,117 | 237,878 |
| 715.2259 | Parts, NEC, for metalworking rolling mill machinery | 2,638,075 | 480,562 | 5,882,633 |
| 715.1080 | Mechanical and manual presses, valued $1,000 and over | 2,300,543 | 2,085,998 | 183,070 |
| 042.2060 | Rice, milled, NEC, medium grain | 2,245,188 | 2,245,188 | - |
| 715.1078 | Hydraulic and pneumatic presses, valued over $1,000 | 2,184,919 | 2,184,919 | - |
| 729.5292 | Industrial process type instruments, electric or electronic, NEC | 2,117,837 | 1,874,025 | 8,215 |
| 712.5068 | Tracklaying tractors, 200 and over net engine horsepower | 1,887,178 | 851,997 | 286,760 |
| 722.2041 | Special purpose controls and control systems (AC/DC), NEC | 1,836,432 | 808,124 | 210,000 |
| 719.8095 | Machines and mechanical appliances, NEC, and parts | 1,762,546 | 209,997 | 279,280 |
| 121.0010 | Tobacco, flue-cured leaf, stemmed | 1,755,930 | 168,259 | - |
| | Total exports itemized above | $252,990,840 | $131,501,808 | $53,684,188 |
| | Total U.S. exports to Poland | $311,430,323 | $164,878,935 | $112,403,457 |

Table A7.--Leading items imported from Yugoslavia in the first six months of 1976 with corresponding figures for the second quarters of 1976 and 1975

(In U.S. dollars)

| TSUSA number | Description | January-June 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|
| 107.3525 | Canned hams, shoulders, over 3 pounds | $ 23,843,561 | $ 11,273,908 | $ 9,151,791 |
| 612.0640 | Unwrought copper, not alloy, NES | 21,311,419 | 14,058,150 | - |
| 700.3515 | Males' leather athletic footwear, NES | 14,383,972 | 7,714,696 | 5,921,319 |
| 727.3040 | Wood chairs NSPF | 11,632,373 | 6,087,080 | 3,284,578 |
| 170.2800 | Cigarette leaf, not stemmed, not over 8.5 inches | 9,401,023 | 4,791,851 | 3,231,372 |
| 626.0200 | Unwrought zinc, except alloyed | 9,346,486 | 5,637,000 | 492,274 |
| 688.0440 | Insulated copper conductors, without fittings, 32 A.W.G. and larger | 5,981,514 | 3,805,357 | 1,258,579 |
| 605.2040 | Silver bullion, refined | 5,969,334 | 2,720,785 | 4,928,533 |
| 607.3100 | Ferrochrome, over 3% carbon | 5,363,996 | 3,265,807 | - |
| 624.0350 | Unwrought lead, unalloyed, except bullion | 3,956,428 | 2,241,039 | - |
| 618.0200 | Unwrought aluminum NES, except aluminum alloy | 3,610,219 | 3,297,546 | - |
| 727.3500 | Wood furniture, NSPF | 3,532,265 | 1,917,690 | 958,941 |
| 618.2560 | Aluminum sheets, strip, and plate, not clad | 3,215,380 | 1,443,079 | 589,470 |
| 612.3140 | Copper sheets, unalloyed | 3,112,820 | 1,357,690 | 486,330 |
| 192.2500 | Hops | 2,323,830 | - | 86,679 |
| 607.5700 | Ferrosilicon manganese | 2,321,034 | 1,188,451 | 459,250 |
| 618.1540 | Wrought aluminum rods, 0.375 inches in diameter and over | 2,198,746 | 1,031,602 | 320,402 |
| 688.0420 | Insulated copper conductors, without fittings, 33 A.W.G. and finer | 1,853,040 | 490,323 | 434,447 |
| 727.4000 | Wood furniture parts NSPF | 1,809,365 | 1,188,086 | 479,625 |
| 475.3540 | Naphthas from petroleum, etc., NES | 1,800,786 | 1,800,786 | - |
| | Total imports itemized above | $136,967,591 | $ 75,310,926 | $32,083,590 |
| | Total U.S. imports from Yugoslavia | $185,591,957 | $102,098,650 | $50,698,206 |

Table A8.--Leading items exported to Yugoslavia in the first six months of 1976 with corresponding figures for the second quarters of 1976 and 1975

(In U.S. dollars)

| Schedule B number | Description | January-June 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|
| 081.3030 | Soybean oil-cake and meal | $18,744,540 | $11,563,050 | - |
| 734.1050 | Aircraft, passenger transport, 33,000 pounds and over | 14,537,623 | 8,237,623 | - |
| 718.4264 | Well drilling machine parts and accessories, NEC | 6,428,531 | 2,109,107 | $262,652 |
| 734.9230 | Parts and accessories, NEC, for aircraft, airships and balloons | 3,921,297 | 2,432,221 | 2,436,549 |
| 321.4020 | Bituminous coal | 3,812,916 | 1,889,778 | - |
| 512.0978 | Vinyl chloride monomer | 3,361,872 | 1,423,690 | 929,568 |
| 715.2254 | Rolling mill metalworking machinery, NEC | 3,193,639 | 2,354,084 | - |
| 734.1020 | Aircraft, personal and utility, multiple engine, 3,000 pounds and over | 2,723,526 | - | 2,225,770 |
| 729.9225 | Parts and attachments, NEC, for electric industrial furnaces and ovens | 2,304,790 | 570,941 | 12,833 |
| 712.5068 | Tracklaying tractors, 200 net engine horsepower and over | 2,284,422 | 2,284,422 | 706,266 |
| 211.1010 | Cattle hides, whole | 2,074,497 | 1,608,625 | 452,003 |
| 717.1150 | Spinning frames, textile | 1,930,502 | 1,499,720 | - |
| 251.6000 | Woodpulp, chemical dissolving | 1,680,354 | 1,070,734 | 1,256,662 |
| 712.5018 | Wheel tractors NEC, 100 maximum horsepower and over | 1,321,356 | 369,882 | 1,230,360 |
| 715.2256 | Parts, NEC, for hot rolling mill machinery, except tube mill machinery | 1,266,753 | 1,255,036 | 2,739,135 |
| 332.9410 | Petroleum coke, calcined | 1,264,644 | 636,000 | 1,763,463 |
| 719.1442 | Metal processing furnaces, etc., nonelectric | 1,247,386 | 86,400 | 15,356 |
| 711.4130 | Internal combustion engines, new, non-military, aircraft, 500 horsepower and over | 1,238,460 | 1,238,460 | - |
| 719.1450 | Parts and attachments, NEC, for nonelectric metal processing furnaces and ovens | 1,169,968 | 1,169,968 | 2,320 |
| 714.9216 | Parts and accessories for basic electronic computers | 1,130,344 | 524,618 | 770,786 |
| | Total exports itemized above | $75,637,420 | $42,414,359 | $14,803,723 |
| | Total U.S. exports to Yugoslavia | $13,357,634 | $75,400,573 | $78,692,318 |

Table A9.--Leading items imported from Romania in the first six months of 1976 with corresponding figures for the second quarters of 1976 and 1975

(In U.S. dollars)

| TSUSA number | Description | January-June 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|
| 475.0550 | Fuel oil, Saybolt Universal viscosity 145 seconds or more, NES, under 25 degrees A.P.I. | $42,088,371 | $19,939,880 | $ 3,321,103 |
| 107.3525 | Canned hams, shoulders, over 3 pounds | 4,890,297 | 2,139,865 | 927,475 |
| 692.3020 | New wheel agricultural tractors, 35 belt horsepower and over | 4,872,118 | 3,121,933 | 2,780,753 |
| 700.4540 | Women's leather footwear, cement soles, valued over $2.50 per pair | 2,313,546 | 1,238,833 | 552,571 |
| 626.0200 | Unwrought zinc, except alloyed | 1,956,784 | 354,175 | - |
| 309.4342 | Polyester fiber, wholly of filament, not cellulosic | 1,733,346 | 737,927 | - |
| 608.8744 | Steel sheet, pickled or cold rolled, not shaped or coated | 1,252,914 | - | - |
| 700.2718 | Leather welt work footwear, valued $5 - 6.80 per pair | 1,196,430 | 836,801 | 16,088 |
| 380.6650 | Men's and boys' wool suits, not knit, valued over $4 | 1,174,059 | 1,047,671 | - |
| 107.3560 | Pork NES, boned, cooked, and canned | 1,156,394 | 797,802 | 62,603 |
| 380.1260 | Men's and boys' cotton suit-type coats, NES, not knit, valued over $4 | 1,042,110 | 449,509 | - |
| 700.2738 | Men's leather welt footwear NES, valued $5 - 6.80 per pair | 918,707 | 264,032 | - |
| 382.1224 | Women's, girls' and infants' cotton coats, not knit, valued over $4 | 837,317 | 282 | - |
| 546.5400 | Glassware NES, valued 30¢ - $1 each | 809,790 | 614,772 | 190,087 |
| 700.2940 | Leather welt work footwear, valued over $6.80 per pair | 802,744 | 538,017 | 3,041 |
| 700.3550 | Men's leather footwear NES, cement soles | 793,187 | 414,753 | 106,594 |
| 117.6700 | Pecorino cheese, not for grating | 741,551 | 266,828 | 174,152 |
| 360.1500 | Floor coverings of pile, etc., valued over 66-2/3 cents per square foot | 739,443 | 466,647 | 9,147 |
| 382.1206 | Women's raincoats NES, valued over $4, 3/4 length, not knit | 651,831 | 188,715 | - |
| 727.3500 | Wood furniture NSPF | 631,255 | 309,736 | 75,041 |
| | Total imports itemized above | $70,602,194 | $33,658,178 | $ 8,218,655 |
| | Total U.S. imports from Romania | $91,696,575 | $45,202,769 | $17,534,281 |

Table A10.--Leading items exported to Romania in the first six months of 1976 with corresponding figures for the second quarters of 1976 and 1975

(In U.S. dollars)

| Schedule B number | Description | January-June 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|
| 221.4000 | Soybeans | $31,621,417 | $16,440,226 | - |
| 211.1010 | Cattle hides, whole | 10,942,757 | 6,448,227 | $1,911,027 |
| 211.4000 | Goat and kid skins, undressed | 7,699,500 | 7,699,500 | - |
| 251.6000 | Woodpulp, chemical dissolving | 3,997,708 | 715,465 | 1,445,417 |
| 081.3030 | Soybean oil-cake and meal | 3,688,503 | 2,043,436 | - |
| 041.0020 | Wheat, unmilled, except for relief | 3,360,713 | - | - |
| 044.0060 | Yellow corn, unmilled, NEC | 2,946,726 | - | 28,908,970 |
| 321.4020 | Bituminous coal | 2,232,138 | 2,232,138 | - |
| 271.3010 | Florida phosphate hard rock and land pebble | 1,996,655 | 1,996,655 | 1,615,016 |
| 714.9216 | Parts and accessories for basic electronic computers | 1,576,215 | 489,226 | 642,924 |
| 674.7030 | Electrolytic tin plate, primary | 1,261,130 | 1,261,130 | 13,460 |
| 719.5454 | Parts, NEC, for metalworking type machine tools | 1,219,500 | - | - |
| 861.9946 | Parts and accessories, NEC, for industrial instruments, NEC | 1,137,429 | 511,758 | 35,438 |
| 271.3040 | Natural phosphate fertilizer | 1,045,950 | - | - |
| 719.2170 | Parts and attachments, NEC, for pumps for liquids | 986,262 | 25,600 | 161,650 |
| 599.2080 | Herbicidal preparations | 869,626 | - | - |
| 715.1002 | Horizontal boring and drilling machines, new | 831,895 | 500,705 | - |
| 251.7220 | Pulp, sulfate, softwood, bleached | 663,878 | 663,878 | - |
| 719.2250 | Parts and attachments, NEC, for pumps and compressors, NEC | 609,533 | 5,567 | 710 |
| 711.4160 | Internal combustion aircraft engine parts, NEC | 554,081 | 83,567 | 11,503 |
| | Total exports itemized above | $79,241,616 | $41,117,078 | $34,746,115 |
| | Total U.S. exports to Romania | $89,216,896 | $46,175,131 | $47,902,848 |

Table All.--Leading items imported from Czechoslovakia in the first six months of 1976 with corresponding figures for the second quarters of 1976 and 1975

(In U.S. dollars)

| TSUSA number | Description | January-June 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|
| 608.7100 | Steel wire rods, not alloy, not tempered, valued over 4¢ per pound | $ 1,771,190 | $ 867,727 | - |
| 107.3525 | Canned hams, shoulders, over 3 pounds | 1,108,510 | 513,061 | $ 210,516 |
| 674.3280 | Boring, drilling, and milling machines, except numerically controlled, NES | 896,369 | 494,236 | 205,903 |
| 192.2500 | Hops | 698,712 | 1,270 | - |
| 700.3550 | Men's leather footwear NES, cement soles | 633,389 | 421,250 | 259,703 |
| 741.3500 | Imitation gemstones, except beads | 505,418 | 176,810 | 238,201 |
| 668.2045 | Printing presses NES | 385,322 | 210,607 | 282,763 |
| 546.5400 | Glassware NES, valued 30¢ - $1 each | 362,824 | 262,335 | 73,079 |
| 546.5600 | Glassware NSPF, valued $1 - $3 each | 359,261 | 232,350 | 87,504 |
| 727.1500 | Furniture and parts of bentwood | 350,382 | 190,932 | 87,208 |
| 670.0620 | Spinning machines | 323,645 | 265,767 | - |
| 124.1025 | Mink furskins, except Japanese, undressed | 323,092 | 262,806 | 97,072 |
| 700.2960 | Men's leather welt footwear NES, valued over $6.80 per pair | 317,150 | 103,305 | 129,737 |
| 674.3504 | Engine lathes, metal-cutting | 284,635 | 139,264 | 141,032 |
| 700.2738 | Men's leather welt footwear NES, valued $5 - $6.80 per pair | 273,871 | 138,476 | 338,251 |
| 437.3000 | Antibiotics, natural, not artificially mixed | 266,560 | 114,240 | 147,200 |
| 270.2580 | Books NSPF, including books of foreign authorship | 256,304 | 87,020 | 68,482 |
| 335.9500 | Other woven fabrics of vegetable fiber, NES, weighing over 4 ounces per square yard | 253,094 | 90,068 | 139,237 |
| 1/ 545.5700 | Glass prisms for chandeliers, wall brackets, etc. | 225,403 | 90,952 | 88,968 |
| 674.3258 | Vertical boring machines and turret lathes, except numerically controlled | 220,424 | 169,394 | - |
| | Total imports itemized above | $ 9,815,555 | $4,831,870 | $2,594,856 |
| | Total U.S. imports from Czechoslovakia | $16,237,087 | $8,357,265 | $6,613,637 |

1/ Prior to January 1, 1976, this item was classified under the now deleted number, 335.9040.

Table A12.--Leading items exported to Czechoslovakia in the first six months of 1976 with corresponding figures for the second quarters of 1976 and 1975

(In U.S. dollars)

| Schedule B number | Description | January-June 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|
| 081.3030 | Soybean oil-cake and meal | $23,005,898 | $17,742,595 | $7,526,284 |
| 044.0060 | Yellow corn, unmilled, NEC | 17,399,222 | 13,420,015 | - |
| 211.1010 | Cattle hides, whole | 5,387,199 | 2,537,515 | 1,973,516 |
| 121.0005 | Tobacco, flue-cured leaf, unstemmed | 3,807,146 | 2,468,008 | 1,041,078 |
| 513.6932 | Inorganic bases, etc., NEC | 796,525 | - | - |
| 221.5000 | Flaxseed | 790,150 | 790,150 | - |
| 714.9216 | Parts and accessories for basic electronic computers | 686,752 | 313,902 | 100,488 |
| 712.5068 | Tracklaying tractors, 200 and over net engine horsepower | 577,272 | - | 140,627 |
| 891.1135 | Magnetic tape recorders, video | 566,317 | 199,573 | 151,302 |
| 054.8400 | Hops, fresh or dried | 534,391 | - | - |
| 122.3030 | Smoking tobacco, in bulk | 481,100 | 198,100 | - |
| 221.0530 | Sunflower seed | 458,279 | 458,279 | - |
| 891.1210 | Dictating and recording machine parts | 450,749 | 312,612 | 158,936 |
| 656.9240 | Made-up textile articles of textile fibers, NEC | 379,592 | 379,592 | - |
| 221.1010 | Peanuts, shelled, green | 379,400 | 168,500 | - |
| 251.7210 | Wood pulp, sulphate, bleached, hardwood | 367,996 | 367,996 | - |
| 715.2120 | Molding machines, and parts, NEC | 323,688 | 323,688 | - |
| 712.5042 | Wheel tractors, contractors, new, 300 and over maximum engine horsepower | 300,308 | 300,308 | - |
| 714.9206 | Input/output devices for electronic computers, and parts | 294,012 | 238,327 | 98,535 |
| 715.1062 | Sawing and cut-off machines, valued $1,000 and over | 258,103 | - | - |
| | Total exports itemized above | $57,244,099 | $40,219,160 | $11,190,766 |
| | Total U.S. exports to Czechoslovakia | $65,059,209 | $44,410,949 | $15,167,638 |

Table A13.--Leading items imported from the German Democratic Republic in the first six months of 1976 with corresponding figures for the second quarters of 1976 and 1975

(In U.S. dollars)

| TSUSA number | Description | January-June 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|
| 480.5000 | Potassium chloride, crude | $1,305,793 | $ 225,793 | - |
| 124.1025 | Mink furskins, except Japanese, undressed | 581,522 | 441,164 | $ 134,497 |
| 494.2000 | Montan wax | 371,538 | 149,518 | 181,311 |
| 722.1620 | Still 35-millimeter cameras, valued over $10 | 315,717 | 165,041 | 113,460 |
| 121.5000 | Pig and hog leather | 258,355 | 158,375 | 72,795 |
| 546.5800 | Glassware NSPF, valued over $3 each, cut or engraved | 203,695 | 104,698 | 99,543 |
| 546.5600 | Glassware NSPF, valued $1 - $3 each | 178,318 | 63,470 | 119,528 |
| 674.3280 | Boring, drilling, and milling machines, except numerically controlled, NES | 157,827 | 71,453 | - |
| 668.2035 | Offset printing presses, 3500 pounds and over, sheet-fed type | 157,366 | 57,754 | 173,744 |
| 676.0530 | Portable typewriters, non-automatic, without calculating mechanisms | 104,148 | 104,148 | - |
| 670.2000 | Knitting machines NES, except circular knitting machines | 86,000 | 86,000 | - |
| 534.1100 | Ceramic statues, etc., valued over $2.50, by professional sculptors | 82,641 | 54,439 | 71,710 |
| 608.7100 | Steel wire rods, not alloy, not tempered, valued over 4¢ per pound | 80,828 | - | - |
| 712.4900 | Testing and measuring instruments and parts, NES | 77,066 | 21,295 | 16,379 |
| 685.3060 | Other portable radio-phonographs | 72,903 | 40,299 | - |
| 748.2100 | Artificial flowers, etc., NES | 72,282 | 37,809 | 30,882 |
| 684.5010 | Electric hair curlers | 69,561 | 69,561 | - |
| 725.0320 | Grand pianos | 68,199 | 35,812 | - |
| 674.3565 | Metal-forming machine tools, NES | 67,815 | 37,815 | - |
| 725.2480 | Woodwind instruments NES | 60,890 | 42,026 | 30,484 |
| | Total imports itemized above | $4,372,464 | $1,966,470 | $1,044,333 |
| | Total U.S. imports from the German Democratic Republic | $6,172,661 | $2,824,164 | $2,148,726 |

Table A14.--Leading items exported to the Germam Democratic Republic in the first six months of 1976 with corresponding figures for the second quarters of 1976 and 1975

(In U.S. dollars)

| Schedule B number | Description | January-June 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|
| 041.0020 | Wheat, unmilled, except for relief | $7,812,664 | $4,009,171 | - |
| 044.0060 | Yellow corn, unmilled, NEC | 6,807,831 | 6,807,831 | - |
| 043.0000 | Barley, unmilled | 6,403,904 | 6,403,904 | - |
| 045.9015 | Grain sorghums, unmilled | 2,709,243 | 2,709,243 | - |
| 051.1010 | Fresh oranges | 1,149,004 | 1,149,004 | $1,210,450 |
| 011.6040 | Pork livers, fresh or frozen | 851,075 | 492,067 | 167,645 |
| 051.2010 | Fresh lemons | 471,744 | 471,744 | - |
| 561.2910 | Concentrated superphosphate | 412,802 | - | - |
| 212.0010 | Muskrat furskins, undressed | 240,850 | 108,600 | - |
| 664.1300 | Glass, unworked, in balls, etc. | 231,200 | 184,550 | - |
| 861.6940 | Still picture equipment, etc., NEC | 195,073 | 195,073 | - |
| 251.6000 | Wood pulp, chemical dissolving | 165,600 | 165,600 | 82,800 |
| 421.8010 | Soft salad oils, crude, NEC | 164,921 | - | - |
| 891.1135 | Magnetic tape recorders, video | 146,872 | 26,185 | 37,725 |
| 263.2011 | Linters, chemical grade | 134,571 | 102,518 | 57,667 |
| 719.1538 | Reciprocating liquid chilling packages | 117,492 | - | - |
| 861.9830 | Optical measuring instruments | 93,847 | 49,317 | 5,669 |
| 718.2950 | Printing machines NEC | 89,233 | 89,233 | - |
| 729.5262 | Instruments for physical or chemical analysis | 82,467 | 69,275 | - |
| 211.1010 | Cattle hides, whole | 81,944 | 81,944 | - |
| | Total exports itemized above | $28,362,337 | $23,115,259 | $1,561,996 |
| | Total U.S. exports to the German Democratic Republic | $29,242,651 | $23,423,445 | $3,030,537 |

Table A15.--Leading items imported from Hungary in the first six months of 1976 with corresponding figures for the second quarters of 1976 and 1975

(In U.S. dollars)

| TSUSA number | Description | January-June 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|
| 107.3525 | Canned hams, shoulders, over 3 pounds | $ 8,478,512 | $3,620,290 | $2,568,062 |
| 1/ 678.5070 | Machines NSPF, and parts | 3,030,871 | 1,404,060 | - |
| 107.3540 | Pork bacon, boned, cooked, and canned | 1,512,875 | 665,007 | 9,468 |
| 686.9030 | Other lamps, including household | 1,462,623 | 679,999 | 2/ |
| 692.3060 | Parts of agricultural tractors | 1,042,896 | 1,042,896 | 653,087 |
| 130.3000 | Corn or maize certified seed | 903,163 | - | - |
| 437.2000 | Alkaloids and compounds NSPF, synthetic | 471,638 | 98,557 | - |
| 750.2600 | Whiskbrooms, valued not over 32¢ each (under quota) | 393,618 | 64,794 | - |
| 161.7100 | Paprika | 305,449 | 153,599 | 1,856 |
| 167.3040 | Wine, over 14% alcohol, valued over $4 per gallon, containers not over 1 gallon | 267,501 | 120,588 | 24,841 |
| 546.5400 | Glassware NES, valued 30¢ - $1 each | 264,104 | 85,586 | 83,869 |
| 772.5115 | Pneumatic truck and bus tires, new | 250,415 | 142,434 | - |
| 790.3900 | Inflatable articles NSPF | 219,682 | 96,383 | 99,012 |
| 686.9010 | 3-way lamps, 150 watts and under | 188,986 | 105,945 | 2/ |
| 542.3120 | Ordinary glass, 16-18.5 ounces per square foot, not over 40 united inches | 185,963 | 144,893 | 132,220 |
| 274.4000 | Postage stamps, government envelopes and postal cards | 168,529 | 86,811 | 97,415 |
| 772.5105 | Automobile tires, new | 147,086 | 147,086 | - |
| 750.2900 | Brooms, valued not over 96¢ each (under quota) | 143,940 | 65,838 | 35,605 |
| 521.9100 | Cryolite or kryolith | 143,586 | - | - |
| 107.3560 | Pork NES, canned, boned, and cooked | 139,455 | - | - |
| | Total imports itemized above | $19,720,892 | $8,724,766 | $4,677,523 |
| | Total U.S. imports from Hungary | $22,073,448 | $9,734,004 | $7,932,935 |

1/ Prior to January 2, 1976, this item was classified under the now deleted number, 678.5060.

2/ Prior to January 1, 1976, items 686.9030 and 686.9010 were combined in a more inclusive category, 686.9000 (now deleted). While it is impossible to present separate figures for the two new items for the second quarter of 1975, their combined value of $972,088 has been added into the quarterly total of U.S. imports from Hungary.

Table A16.--Leading items exported to Hungary in the first six months of 1976 with corresponding figures for the second quarters of 1976 and 1975

(In U.S. dollars)

| Schedule B number | Description | January-June 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|
| 561.2910 | Concentrated superphosphate | $9,178,152 | $3,662,937 | - |
| 081.3030 | Soybean oil-cake and meal | 8,306,025 | 3,139,675 | $13,266,885 |
| 732.8920 | Parts and accessories, NEC, for wheel tractors | 2,945,166 | 1,955,905 | 1,101,171 |
| 211.1010 | Cattle hides, whole | 1,537,165 | 837,222 | 441,001 |
| 714.9206 | Input/output devices for electronic computers, and parts | 1,106,567 | 809,277 | 190,972 |
| 712.1005 | Planters and transplanters | 940,114 | - | 4,570 |
| 512.0672 | Insecticides and agricultural chemicals, NEC | 880,000 | - | - |
| 712.5018 | Wheel tractors NEC, 100 maximum horsepower and over | 740,840 | 24,558 | 2,199,157 |
| 292.5010 | Alfalfa seed, certified | 707,802 | - | - |
| 664.1300 | Glass, unworked, in balls, etc. | 653,601 | 355,905 | 180,517 |
| 001.1010 | Dairy cattle, for breeding | 538,500 | 538,500 | 926,100 |
| 211.6000 | Sheep and lamb skins, with wool on, undressed | 465,962 | 202,825 | 429,442 |
| 211.2020 | Kip skins | 450,306 | 400,440 | 289,986 |
| 712.9965 | Parts and attachments, NEC, for agricultural machines | 398,356 | 156,996 | 21,832 |
| 044.0030 | Corn seed, except sweet corn | 393,233 | 124,193 | 31,139 |
| 892.9200 | Plans and drawings, not printed | 357,975 | 120,600 | - |
| 599.9920 | Compound catalysts, except nickel | 321,122 | 321,122 | - |
| 292.5005 | Alfalfa seed, uncertified | 295,068 | - | - |
| 718.3970 | Food-processing machinery and equipment, NEC | 274,626 | 274,626 | - |
| 891.1135 | Magnetic tape recorders, video | 261,229 | 261,229 | - |
| | Total exports itemized above | $30,751,809 | $13,186,010 | $19,082,772 |
| | Total U.S. exports to Hungary | $34,615,272 | $15,221,374 | $21,914,736 |

Table A17.--Leading items imported from Bulgaria in the first six months of 1976 with corresponding figures for the second quarters of 1976 and 1975

(In U.S. dollars)

| TSUSA number | Description | January-June 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|
| 170.2800 | Cigarette leaf, not stemmed, not over 8.5 inches | $3,734,516 | $2,439,692 | $ 58,617 |
| 161.7100 | Paprika, ground or unground | 349,652 | 150,046 | 191,615 |
| 117.6700 | Pecorino cheese, not for grating | 208,910 | - | 117,338 |
| 452.6000 | Rose oil or attar of roses | 120,307 | 11,313 | - |
| 165.1500 | Apple and pear juice, not over 1% alcohol | 68,193 | 68,193 | - |
| 439.1040 | Natural crude drugs of vegetable origin | 47,067 | 18,957 | 39,145 |
| 546.5400 | Glassware NES, valued 30¢ - $1 each | 41,870 | 31,931 | 8,106 |
| 274.4000 | Postage stamps, government envelopes and postal cards | 39,883 | 33,050 | - |
| 632.4000 | Unwrought selenium and waste and scrap | 35,941 | 20,569 | 25,628 |
| 546.5200 | Glassware NES, valued not over 30¢ each | 31,113 | 15,417 | 8,388 |
| 161.0300 | Crude basil | 20,391 | 13,761 | - |
| 149.2600 | Dried prunes and plums | 19,705 | 6,446 | - |
| 124.1057 | Whole furskins NES, raw | 18,662 | 17,157 | - |
| 161.1700 | Cinnamon and chips, unground | 15,922 | 15,922 | - |
| 124.1020 | Whole marten furskins, undressed | 13,112 | 13,112 | - |
| 170.4000 | Filler tobacco, including cigar leaf, not stemmed, NES | 11,864 | 11,864 | - |
| 193.2500 | Crude vegetable substances, NSPF | 10,599 | 5,185 | 3,555 |
| 274.7000 | Photographic film for printing plates | 5,500 | 5,500 | - |
| 435.0500 | Aconite, aloes, etc., crude | 4,800 | 4,800 | - |
| 674.3232 | Drilling machines, upright, single spindle, except numerically controlled | 4,435 | 4,435 | - |
| | Total imports itemized above | $4,802,442 | $2,887,350 | $452,392 |
| | Total U.S. imports from Bulgaria | $4,845,063 | $2,907,446 | $868,403 |

Table A18.--Leading items exported to Bulgaria in the first six months of 1976 with corresponding figures for the second quarters of 1976 and 1975

(In U.S. dollars)

| Schedule B number | Description | January-June 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|
| 044.0060 | Yellow corn, unmilled, NEC | $28,447,575 | $15,892,477 | $7,428,513 |
| 283.8000 | Lead and zinc ore concentrates | 1,764,000 | 1,764,000 | - |
| 715.2140 | Foundry machines, and parts, NEC | 1,609,600 | 201,120 | - |
| 712.2020 | Harvesting machines, NEC | 815,664 | 815,664 | 63,650 |
| 729.3075 | Integrated circuits, semiconductor, monolithic, digital | 548,306 | 202,011 | - |
| 231.2065 | Synthetic rubber and substitutes | 375,221 | - | - |
| 211.1010 | Cattle hides, whole | 358,171 | - | - |
| 714.3005 | Digital electronic computers | 358,165 | - | - |
| 891.1135 | Magnetic tape recorders, video | 297,840 | 140,140 | - |
| 729.5276 | Industrial process temperature instruments, direct-deflect electric or electronic | 277,424 | - | - |
| 714.9206 | Input/output devices for electronic computers, and parts | 253,410 | - | - |
| 719.3220 | Industrial trucks and tractors, operator riding, electric powered | 240,690 | - | - |
| 714.9209 | Storing devices (except ready access) for electronic computers and parts | 207,276 | 207,276 | - |
| 712.9960 | Agricultural machines, NEC | 163,404 | - | - |
| 714.3020 | Machines for preparing tape or punched cards | 143,973 | - | 139,327 |
| 719.6226 | Parts, NEC, for food production machines, except dairy | 142,133 | 142,133 | - |
| 864.1400 | Watch cases and parts thereof | 138,000 | 69,000 | - |
| 541.7036 | Preparations acting primarily on digestive system, etc., dosage or retail sale, NEC | 104,040 | 52,020 | 1,424 |
| 121.0010 | Tobacco, flue-cured leaf, stemmed | 88,376 | 44,188 | - |
| 718.3960 | Fruit - and vegetable-processing equipment | 82,028 | 74,518 | 96,706 |
| | Total exports itemized above | $35,415,296 | $19,604,547 | $7,729,620 |
| | Total U.S. exports to Bulgaria | $37,796,349 | $20,377,304 | $9,156,875 |

Table A19.--Leading items imported from Albania in the first six months of 1976 with corresponding figures for the second quarters of 1976 and 1975

(In U.S. dollars)

| TSUSA number | Description | January-June 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|
| 161.9400 | Unground sage | $471,129 | $279,331 | $175,072 |
| 470.5500 | Myrobalan and sumac | 6,956 | - | 5,000 |
| 360.1500 | Floor coverings, pile, etc. over 66-2/3¢ per square foot in value | 2,551 | - | - |
| 124.1057 | Whole furskins, NES, raw | 1,872 | 1,872 | - |
| 653.2260 | Metal coins NES | 689 | 689 | - |
| | Total imports itemized above | $483,197 | $281,892 | $180,072 |
| | Total U.S. imports from Albania | $483,197 | $281,892 | $180,927 |

Table A20.--Leading items exported to Albania in the first six months of 1976 with corresponding figures for the second quarters of 1976 and 1975

(In U.S. dollars)

| Schedule B number | Description | January-June 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|
| 891.1135 | Recorders, magnetic tape, video | $346,715 | - | - |
| 891.1210 | Dictating and recording machine parts | 133,073 | - | - |
| 891.2040 | Magnetic tape, video | 96,883 | $ 96,883 | $5,805 |
| 656.9240 | Made-up textile articles, NEC, of textile fibers, NEC | 78,584 | 78,584 | - |
| 861.9920 | Parts for test apparatus, NEC | 1,188 | 1,188 | - |
| | Total exports itemized above | $656,443 | $176,655 | $ 5,805 |
| | Total U.S. exports to Albania | $656,443 | $176,655 | $55,007 |

Table A21.--Leading items imported from Cuba 1/ in the first six months of 1976 with corresponding figures for the second quarters of 1976 and 1975

(In U.S. dollars)

| TSUSA number | Description | January-June 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|
| 765.1000 | Engravings, etchings, lithographs, etc., unbound | $1,460 | $1,460 | - |
| | Total imports itemized above | $1,460 | $1,460 | - |
| | Total U.S. imports from Cuba | $1,460 | $1,460 | $1,200 |

1/ U.S. trade with Cuba has been under an embargo since February 7, 1962, when President Kennedy, acting under the authority of Section 620(a) of the Foreign Assistance Act of 1961, as amended, issued Presidential Proclamation 3447 that declared the embargo. Under Section 620(a) of the Foreign Assistance Act of 1961 the Secretary of Commerce is directed to carry out the prohibition on exports, while the Secretary of the Treasury enforces the prohibition on imports. In both cases exceptions may be granted when determined to be appropriate by the respective Secretaries. To date, the number of exceptions granted has been minimal so that trade between the two countries is almost nil.

Table A22.--Leading items exported to Cuba 1/ in the first six months of 1976 with corresponding figures for the second quarters of 1976 and 1975

(In U.S. dollars)

| Schedule B number | Description | January-June 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|
| 599.2035 | Organic phosphate containing pesticidal preparations, except fly sprays and aerosols | $34,000 | - | - |
| 541.8000 | Medicinal and phamaceutical products, for relief | 20,300 | - | - |
| 732.0140 | Passenger cars, nonmilitary, assembled, over 6 cylinders, new | 5,087 | $5,087 | - |
| 714.1010 | Typewriters, standing, electric, new | 2,474 | - | - |
| 664.4020 | Plate glass, rectangular, unworked | 2,000 | - | - |
| 861.9920 | Parts for testing apparatus, NEC | 1,682 | 1,682 | - |
| 861.5070 | Parts, NEC, for motion picture cameras and projectors | 1,557 | - | - |
| 931.0020 | Commodities donated for relief | 1,208 | 1,208 | - |
| 861.9810 | Instruments, laboratory or scientific, for physical or chemical analysis | 1,033 | 1,033 | - |
| | Total exports itemized above | $69,341 | $9,010 | - |
| | Total U.S. exports to Cuba | $69,341 | $9,010 | $19,153 |

1/ See footnote 1/ in Table A21.

Table A23.--Leading items imported from the People's Republic of Mongolia in the first six months of 1976 with corresponding figures for the second quarters of 1976 and 1975

(In U.S. dollars)

| TSUSA number | Description | January-June 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|
| 306.4293 | Camel hair, sorted, etc. | $1,032,139 | $450,397 | $294,178 |
| 306.6200 | Cashmere goat hair, sorted, etc. | 231,803 | 170,873 | 103,233 |
| 124.1025 | Mink furskins, except Japanese, undressed | 39,074 | 39,074 | 12,987 |
| 124.1045 | Sable furskins, whole, raw | 21,888 | 21,888 | - |
| 306.4394 | Camel hair, scoured | 17,354 | 17,354 | 27,917 |
| 124.1057 | Whole furskins NES, raw | 5,800 | 5,800 | 19,154 |
| 186.5540 | Goat and kid hair, except beards | 1,533 | 1,533 | - |
| | Total imports itemized above | $1,349,591 | $705,386 | $457,469 |
| | Total U.S. imports from the People's Republic of Mongolia | $1,349,591 | $705,386 | $510,796 |

Table A24.--Leading items exported to the People's Republic of Mongolia in the first six months of 1976 with corresponding figures for the second quarters of 1976 and 1975

(In U.S. dollars)

| Schedule B number | Description | January-June 1976 | Second quarter 1976 | Second quarter 1975 |
|---|---|---|---|---|
| 861.9710 | Laboratory or scientific instruments for measuring, etc., liquid or gas | $8,774 | $8,774 | - |
| 861.9822 | Instruments for chemical analysis | 4,920 | - | - |
| 931.0020 | Commodities donated for relief | 2,350 | 2,350 | $4,167 |
| 714.9275 | Parts and accessories for duplicating machines, except off-set type | 2,239 | 2,239 | - |
| 665.8100 | Glassware, laboratory, hygienic, or pharmaceutical | 1,942 | 1,942 | - |
| 861.7150 | Medical, surgical, ophthalmic, and veterinary instruments and apparatus, NEC | 1,573 | - | - |
| 725.0110 | Refrigerators, electric, household | 1,336 | 1,336 | - |
| | Total exports itemized above | $23,134 | $16,641 | $4,167 |
| | Total U.S. exports to the People's Republic of Mongolia | $23,134 | $16,641 | $4,741 |

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